UNITED STATES OF AMERICA

NATIONAL TRANSPORTATION SAFETY BOARD

* * * * * * * * * * * * * * * * * * * *	
Investigation of:	*
	*
CRUDE OIL TRAIN DERAILMENT WITH	*
HAZARDOUS MATERIALS RELEASE	* Docket No. DCA-14-FR-008
APRIL 30, 2014	*
LYNCHBURG, VIRGINIA	*
	*
* * * * * * * * * * * * * * * * * * * *	

Interview of: BRAD SPENCER

SpringHill Suites Inn
Lynchburg, Virginia

Friday,
May 2, 2014

The above-captioned matter convened, pursuant to notice.

BEFORE: RICHARD HIPSKIND
Railroad Accident Investigator

APPEARANCES:

RICHARD HIPSKIND, Railroad Accident Investigator
Chairman, Track and Engineering Group
National Transportation Safety Board
Washington, D.C.

ROBERT "JOE" GORDON, Track Inspector
Office of Safety
Federal Railroad Administration

JIM GRUPPOSO, Director
Train Accident Investigation and Prevention
CSX Transportation

RUSSELL FARMER, Vice Chairman
Allied Federation
Brotherhood of Maintenance of Way Employes
Division (BMWED)

I N D E X

Legend:

(ph.) = phonetic spelling

I N T E R V I E W

MR. HIPSKIND: Good afternoon everybody. My name is Richard Hipskind and I am the Track and Engineering Group Chairman for NTSB for this accident. We are here today, on May 2, 2014, at the SpringHill Suites Inn in Lynchburg, Virginia to conduct an interview with Mr. Brad Spencer, who works for CSX Transportation, or CSX. This interview is in conjunction with NTSB's investigation of a crude oil train derailment with hazardous materials released on CSX's James River Subdivision in Lynchburg, Virginia on April 30, 2014. The NTSB accident reference number is DCA-14-FR-008.

Before we begin our interview and questions, let's go around the table and introduce ourselves. Please spell your last name and please identify who you are representing and your title. I would remind everybody to speak clearly and loudly enough so we can get an accurate recording. I'll lead off and then pass off to my left.

Again, my name is Richard Hipskind. The spelling of my last name is H-i-p-s-k-i-n-d. I am a railroad accident investigator and Track and Engineering Group Chairman for the NTSB on this accident.

MR. FARMER: Russell Farmer, Vice Chairman, Allied Federation BMWE. Farmer, F-a-r-m-e-r.

MR. GORDON: Robert Gordon. Spelling of last name, G-o-r-d-o-n, FRA Track Safety Inspector.

MR. GRUPPOSO: Jim Grupposo, G-r-u-p-p-o-s-o, Director of Train Accident Investigation and Prevention for CSX.

MR. HIPSKIND: And, Mr. Spencer, would you please introduce yourself for the record?

MR. SPENCER: Brad Spencer, S-p-e-n-c-e-r, Engineer of Rail Services, CSX Transportation.

MR. HIPSKIND: And Brad, with your permission, do you mind if we just have our discussion first-name basis?

MR. SPENCER: No, I do not.

MR. HIPSKIND: You do not? Oh, you're okay with it?

MR. SPENCER: I do not mind.

MR. HIPSKIND: Okay. All right.

MR. SPENCER: Sorry.

INTERVIEW OF BRAD SPENCER

BY MR. HIPSKIND:

Q. All right. You've been here in some of the other interviews so you know I'm going to ask you these two questions. Do we have your permission to record our discussion, our interview with you today?

A. Yes.

Q. Do you wish to have a representative with you at this interview?

A. No.

Q. Okay. So let's proceed. Brad, kind of give us a synopsis of your work experience and take us up to your present

job and let us know how long you have been in that position?

A. I started my railroad career with Conrail and that was in January 1993. And I worked as a manager now for 21 years. I've been in track testing that whole time basically. I started my management career 1994, March, and I started in the geometry cars. I've worked as a geometry car specialist, lead geometry car engineer, and a manager of geometry cars.

And that took my career to -- or sorry, 2008, when I became Engineer of Rail Services, which -- at CSX, which I manage all the rail testing, scheduling, quality. I deal with rail contractors, the rail testing contractors. Nordco and Sperry are the two primary ones. We use Sperry as our most prevalent one. We have two cars from Nordco currently working on us and 20 from Sperry. So I do management of all that, what we test, where we test and the timing.

Q. Okay. Sounds like you're pretty busy?

A. Yes, sir.

Q. Well, you kind of covered some of your duties and responsibilities, so let's just get right into the quick of it. Brad, in managing so many cars and having to test so many hundreds and thousands of miles of the system, how do you get all that done and, to answer this question, how do you know the stuff is in the right place at the right time conducting the right test?

A. It's -- we do have some automated tools that help us that we've recently gone into production with. We've had -- we

track it on a daily basis is what it basically comes down to, but we do have some automation now that also helps us with that tracking. We have a data analysis and scheduling, geometry scheduling person that works in the office in Jacksonville, Hank Turner, and he updates tracks tested every day. So there is some assistance there. And also, we have a rail test scheduling tool we call RTS, and that also it's a automated in updating our segments.

So we have two ways that we're actually tracking it, and we do that on purpose just to, you know, to be as thorough as we possibly can. Because it would be an easy thing to, you know, lose your position and what you've tested and where you've tested, especially if you're skipping around because of traffic or dispatcher requests or maintenance of way requests. So actually, we're doing it two ways now so that we don't have those skips. And it also helps me making decisions where I test and which one I test and how I prioritize.

Q. Okay. And in just in general terms, I'd like for you to address two things: one, to kind of give an overview and understanding of what the FRA, Federal Railroad Administration, expectations are regarding frequency of tests with ultrasonic equipment to detect internal rail flaws; and then I want you to characterize what CSX's philosophy is; and then thirdly, to talk about whether you use any predictive models to help you understand the cycles and whatnot?

A. Okay. February 25th of this year, the new FRA regulations went into effect which changes the way that we are required to test. The current way now is more towards risk and a predictive mode that the FRA is trying to develop and we are required to test Class 3 track. It's Class 3 and above at 30 MGT as a minimum, and then every year we evaluate our service failure history for fatigue-type service failures at the end of the year. And our goal is to be at least below our target risk for that segment, and that target risk is .10 for all tracks and then subtract .01 for -- depending on whether it's passenger or hazmat, or .02 if it's passenger and hazmat.

So the target risk could be varying from .08, .09 or .10, depending on the type of traffic and the speed of the track. I say risk, but it's really a particular service rate more than risk. It includes TDDs, TDTs, TDCs, which are detail fractures and transverse fissures, and compound, transverse compounds. And also vertical split heads is the only thing that's included in those service failure rates.

The way CSX currently does it is we establish our own criteria and we -- and our own service failure types. It gets a little -- it's basically the same principle where we're establishing a target service failure rate, and that is how our frequencies are generated, developed, based on that target rate. If we stay below the target rate, our frequencies can remain the same or increase. But if we're not maintaining to that target

rate, then we tighten our frequencies basically. So it's very similar to how the FRA is doing it right now.

Q. And in juggling all that, tracking all that, anticipating where you need to be with the correct frequency, do you sometimes reach out to vendors or contractors that may provide you some modeling and/or recommendations?

A. Yes. We use Harsco, which is the former Zeta Tech, RailTest model. And it was -- it's a very similar model to Volpe from the FRA. It does -- it's got several inputs into the model and to determine our frequencies, but it all basically comes down to that service failure rate and, you know, to actually determine it.

So we still establish risk, just like I discussed, and then we adjust our frequencies based on what our target is and where we actually are in risk, and then we adjust our frequencies based on a lot of inputs, including service failures, defects, tonnages, type of passenger, hazmat, quite a few inputs there. So -- signal systems, whether it's signaled or not, speed.

Q. Tonnage, hazmat, passenger route, all that?

A. Yeah.

Q. And all those become weighted factors in the predictive model. You know, I'm reminded some time ago, we had a similar discussion, a similar interview after the Ellicott City and one of the things I learned there was, well, CSX using Harsco or Zeta Tech, that hadn't been out there for all the years preceding that

particular derailment date, and so I want you to kind of think back and characterize how long you've been applying a predictive model to the Huntington Division or the James River Subdivision?

A. We have been -- since 2008, when I started in this position, we've been using a predictive model the whole time, but I can go back in the data to 2003, I believe. So we have been using it for at least 10 years, and that includes the James River. And the exact date, I believe it was 2003, but it's somewhere in that neighborhood.

Q. Okay.

A. So it's -- we've been using it for some time.

Q. And so I'm sure in the coming weeks and months we'll be requesting some supportive documentation of -- I know you don't have that now and I know you have been very busy with the investigative process, so we can table that for right now.

But one of the things I do want to talk about is in an earlier interview today the roadmaster, Steve Bennett, talked about, I believe -- correct -- he said "I'm on a 30-day cycle." So could you comment to that and so I understand how long that's been in place?

A. Thirty-one day is actually what the cycle is for us. We have a 31, 62, 92, 123, 183 and 365-day frequency, is basically the frequencies we use. He happens to be on one of the lowest frequencies we use. We have made exceptions and have tightened the frequencies below 31 days, but we have none of those right

now. So right now, our lowest frequency is 31 days.

And his track, which is James River single and number 2 is considered one segment for me, for us. And that segment, single and number 2 is on a 31-day frequency. So number 1 track is on 123-day frequency, which is where many of the empties travel in that direction. Most of your loads go to number 2 so you tend to have higher frequencies on number 2 track than single.

Q. Well, that's interesting. So --

A. Or lower frequencies, I'm sorry.

Q. So on a subdivision, you could have tailored a higher frequency of inspections based on the amount of tonnage, say, like on 2 track where the loads and most of that is traveling eastbound and where, say, on the return track -- or empties are coming back 1 track, you may not test that as much as you do 2 track. Is that --

A. That's correct. We like to put our resources where the risk takes us. So, you know, we may have a lot of service failures on number 2 track where we don't have any on number 1, and the main reason for driving that is because the empties are going that way. It actually works out in the model to go that way, because that's what risk modeling is all about.

Q. Okay.

A. So --

Q. And Brad, much like what we did -- same request that we did for the Old Main Line, the Ellicott City accident -- and we

can talk about this more in depth later, but I know I'm going to want to ask you for some more in-depth tonnage figures to show the progression or increase or decline over the last 5 years, as well as some defect and service rail defect numbers, both for the Huntington Division and specifically for the James River Sub. Is that something you could commit to?

A. Yes.

Q. Okay. All right. The other thing I want to talk to you about, knowing that you've been here and sat through a couple of the interviews, did -- what Roadmaster Bennett was talking about in describing his testing on Friday, the following Monday and Tuesday, the number of defects, and some of what you heard and how he was thinking through and managing that, what's your take on that?

A. I think that's the right -- he was doing the right thing. If you look at what he actually worked on -- you know, he knows from his experience where his biggest problems were, where, you know, where he was going to incur the most risk, and he put his resources on correcting that first and it happened to be a larger defect on single track. I think you've seen -- it was a 30-percent weld -- or a 30-percent TDD off a weld. It made a lot of sense. Plus the speed is lower right there at Lynchburg, at the yard, so you got that also he's taken into account in his mind when he's prioritizing defects.

Nobody would have the resources just to go and fix

everything instantly, so you have to have somebody that puts some thought into how he's prioritizing. And I think everything that he was -- said earlier made complete sense.

Q. Okay. And another way of saying that kind of in layman's terms is, as you're looking at your hand unfold for the day and the car is spitting out more defects, sometimes it's just as simple as worst first?

A. Correct.

Q. Yeah. And to mitigate or minimize your risk?

A. Correct.

Q. And would you want to comment maybe a little bit further about the lesser percentage TDs, the 20 percent less and what some of your options are in terms of both CSX policy as well as staying in compliance with FRA regulation?

A. Yes. I mean, the FRA has guidelines. They're not -- they're safety guidelines. They're not maintenance guidelines. It's based on the size and the types of defects, and in this case it was a detail fracture, which is a transverse defect that grows out of the surface of the track or of the surface of the rail, and at 20 percent, it's less risk.

I know I keep going to talking about risk, but that's basically what it comes down to. There are a lot of growth formulas, predictive, you know, failures. There's always outliers that don't fit those patterns, but for the most part you have more risk at larger defects. The larger defect -- when they talk about

20 and 30 percent, is the actual head of the rail, so it would be 20 percent of the head versus a 30 percent of the head. So of course you're going to have a higher risk on something that there's this fracture in the head of the rail on a transverse plane that's larger in size. The bigger it is, the easier it is to fail, so you want to take care of those ones first.

Q. Okay. And I just want to put a finer point. When we use some of these terms, like head of the rail and everything and when we throw out numbers like 10 percent, 20 percent, 30 percent, when -- does Sperry's equipment account and quantify percentage of cross-sectional railhead defect area? Do they base that on the existing railhead or is it based on if that weight of rail in a new, unworn rail profile? I mean, how -- should I think of it as they're doing it to the new or is it to the existing?

A. Every defect, every suspect defect when we go out and look at it, because when we traverse it with the RailTest vehicle, it has to be hand tested. It has to be somebody on the ground and to hand evaluate it. And really it's very difficult to tell size without doing that. It's really -- you can't do it accurately. So when they get on the ground, they actually go out there and they'll use a hand ultrasonic scope to measure it, and they use several different types of transducers, depending on what type of defect it is and where the defect is located in the rail, and they try to estimate to the best that they can, based on the size of the rail that's there.

So it's not based on a new section. It's based on the current size of the rail. So if you do have some head wear, it's based on -- it's also -- it's included that the head wear is in there. So if they say 50 percent, it would be 50 percent of the head size that's there, not of a new section.

Q. Okay. That is very helpful.

Listen, I know I want to come back and talk about a couple other things, but let me bring in my other co-investigators.

MR. HIPSKIND: And Mr. Farmer?

BY MR. FARMER:

Q. Russell Farmer, F-a-r-m-e-r, Vice Chairman, Allied Federation.

Brad, you mentioned you had two different companies that did the test and I'm trying to look for --

A. It's Nordco Rail Services and Sperry Rail Services.

Q. Nordco and Sperry. And you said you got 2 of the Nordco and 20 of the Sperry?

A. Correct.

Q. When they test, how do you know the accuracy of their equipment? Do they provide any certification of the accuracy?

A. Yeah. We have field supervisors for each company that's required to do a certain amount of audits with the vehicle themselves. I also audit the vehicles. So they also evaluate their data every single week. They have quality departments in

both companies. The operators all have to be certified to be able to test the rail. Everything, like I said, everything is checked and double-checked and they do a random sample every week to make sure that the data is correct. They do 10 mile -- they review 10 miles of data from every truck and every operator every week, as well as doing their audits with their field supervisors and me going out and doing my audits.

Q. And on the James River, does the same test car come every time or is it different test cars?

A. It could be different test cars. I generally run one test car, which is 931, which is one of our more advanced trucks. It's one of our newest trucks, and that operator and that truck operates in this area quite frequently. If I have a scheduling conflict then we might throw something else in. We might have a different operator because he's on vacation. I mean, there's other -- there's reason to maybe change it around and I could very easily do that and sometimes I do. But in general, 931 is the truck that's typically testing over here, Sperry 931.

Q. And with your operators, have you looked to see if there's any difference in whether one operator thinks a defect may be 20 percent and one may think the same defect is a 30 percent?

A. Well, that's -- when the field supervisors do the audits, they actually get on the ground and verify defects and defect sizes with them. So when they do the audits, they do that. But when they're reviewing the tape data, it's very difficult.

Like I said, you can't determine size without somebody being on the ground.

Q. And the tape data is where the car actually detects the defect?

A. Right. Well, no, the tape data is when it goes -- like say when he's done testing, he gives the reports and all that. That night he'll send his data to Danbury, which is Sperry's corporate office, and they store all the data and prepare the reports and the reports get sent to us.

So in that data also they will randomly pull 10 miles of the data and their quality department will actually review the 10 miles of data in that area. They can't really determine -- if he marks this a defect, they can't really determine that his sizing on the ground was the correct size because there's no way to do that unless you're on the ground with him. That was my point.

Q. Okay.

A. But the field supervisors are required to do so many audits a year with each operator that -- they're assigned operators, not trucks. So it's the operator that they audit. So that operator has always got that audit data, always. So --

Q. And most of your operators, they pretty much stay on the job? You don't have a lot of back --

A. I, you know, we used to. At least that's what I've heard. But both companies have really captured their operators, you know, in keeping them consistent and constant. And most of my

operators -- our operators on CSX are very seasoned and been the regular operator there for some time. And I do a lot of the scheduling not only based on my schedule, but also trying to keep them in a reasonably close area to where they're from, which is a good reason why we're keeping our operators. I would like to think that.

Q. And the operator actually works for either Sperry or Nordco?

A. Correct.

Q. Okay.

A. I have not had Nordco on the C&O and the Huntington Division in years and years, so it's -- in this case, it's almost always going to be exclusively Sperry. So you might hear me interchange Sperry all the time and that's why.

Q. All right. Is the only reason you have two Nordco is because Sperry doesn't have any more cars or one's better than the other or --

A. No. No. We like to keep two, mostly because it gives us some variation and it kind of confirms one versus the other in quality. I wouldn't want to make a guess if one's better than the other. I don't believe -- ultrasonically I think they're very similar. And I said that I don't -- haven't had Nordco on the Huntington Division in a while. That's not exactly true because I have had a yard test vehicle on the Huntington Division where we were testing some yard tracks, and that was just recently. But I

haven't had him on a main track in quite some time.

Q. Now, you also said that the FRA has guidelines on the testing for safety. Is CSX's guidelines more stringent than the FRA?

A. Yes. Our risk numbers are -- would be lower and we use more service failures than just fatigue. We mostly use fatigue. Our models are based on fatigue, but we also do some things that are more conservative than what the FRA would require that drives our target levels to be lower.

Q. Now, were those the levels you were talking about, the .10 and then you subtract the .01 or the .02 for the tonnage or hazmat --

A. Correct.

Q. -- or passengers? Okay.

A. Correct. Well, we do the same sort of thing. We subtract for more things. We basically use a very similar type model, but we subtract for if it's dark territories and signal territory because we feel there's more risk without signals, to give you some broken rail protection. We also decrease if we're on single track versus double track. We do the same thing with passengers and hazmats, we reduce it further.

So we got things that reduce it even further, and we also use -- sometimes we use defects that may not be fatigue that we -- we're not positive that they shouldn't be included, so we're more conservative and we include them. So -- our segments are

difficult, though, now because we have some really small segments that can be really influenced very easily, you know, if you have one thing, one service failure. So that's, you know, we do need to make some changes there in our segments.

Q. Now -- and Mr. Hipskind touched on the testing, whether it's based on the actual size or what's there, versus what would be new. A 20 percent of a new rail might be the same as a 30 percent in a curve worn rail, correct?

A. Correct.

Q. Okay. And there's really no way to make a determination other than with the manual scope?

A. That's correct.

Q. Okay. I think that's all I have right there.

MR. HIPSKIND: Okay. Thanks, Russell.

Joe?

BY MR. GORDON:

Q. All right. Robert Gordon, FRA.

Both Mr. Hipskind's and Mr. Farmer already touched on this, but one thing -- with the survey director that's doing the internal test, it's an estimate that he's making and, you know, the hand testing, we talked about that. But is there any way to determine from looking at the tapes, from looking at the data off of the car, if there was a big discrepancy in what the tape found and what was shown during the manual test, are there ever any audits done to --

A. Yes.

Q. -- check for that?

A. Yes. If we have a suspect area that we're having issues with, and I might have -- say, hey, something -- maybe we have a substitute operator. I don't know, maybe it just -- we're having some service failures that we, you know, we felt that maybe, you know, that we should -- we don't think the growth was quick or whatever, we can actually have them audit just a -- whatever section we want.

Now, when they do that, they can go through and say, hey, well, we should've stopped and looked at this. Because all those are recorded in the tapes, whether they stop, they back up, they get out. Even their hand tests, you know, you can tell when they reran something and never got out, or if they got out, they got certain requirements that we require for them to stop to check. They can look at that data and say -- maybe not say it's a defect, but he should've stopped there because this would be a requirement for him to stop and he didn't.

So sometimes the operator can also, he's got a lot more tools. For one, the biggest tool is to look out the back window so he can see maybe a surface condition that would warrant him not to stop.

Q. Right.

A. You know what I mean? And he takes it upon -- he just says, well, I know what this condition is. So, but if they see

that out there, he has ways of marking his tape that says, you know, a surface condition and he verified it.

Q. I made this determination based on --

A. Yeah. And they're all icon'd in the data exactly why he didn't stop.

Q. Okay.

A. So now if they see indications in the data that have no indication or no, you know, recognition from him and they think he should have stopped or at least noted what their problem was, then they would send a supervisor out to follow up behind him. And we've done that and, you know, and there's -- you know, but typically it's what they find is in the 10-mile audits that they do because we don't specifically do that with every subdivision unless we request it.

Q. Right.

A. So it's in that 10-mile audit, and then if they see a condition then they'll do more tape. Sometimes they'll do, you know, a week's worth for -- you know, if they think there's a problem, so --

Q. How often is it that they find something that they take exception to when they do one of those audits on a suspect area?

A. I would say very rare. And to put a definition on that, I mean, we've done it maybe three times where we found a condition that we wanted to go back and look at in the last year.

Q. Okay.

A. So and I think one of those three was actually a defect that we should have looked at.

Q. Okay.

A. But they look at, you know, thousands of indications every day. It's -- they do an amazing job when you consider how much they're looking at. Rail testing's a little bit different than most other types of, you know -- like geometry, for instance. It's much different than that. They're looking at a lot more things.

Q. A lot more science involved, isn't there?

A. Well, it's a little bit of art too. Those guys have --

Q. Okay. Next question. On the FRA regulation, when an internal rail fault, rail defect is identified, FRA regulation has standard remedial actions. Those remedial actions are prefaced with when the track -- when it is determined that your track will remain in use. Who does CSX designate as the person that can make that determination as to whether or not the track will remain in use?

A. It's the roadmaster. That's that the roadmaster -- I should say the division enforces.

Q. Okay.

A. So whoever his designee is or the roadmaster for that area.

Q. Okay. So the roadmaster or his designee will make that determination as to whether or not they're going to continue to

operate. And we, from the interview with Roadmaster Bennett, we determined that that was a trackman that was on the car. Is that common for a trackman to be put in the position to make that determination?

A. I can honestly say that Mr. Bennett is one that rides the car almost exclusively in our -- when it's on his territory. But our rules do allow him to assign a designee.

Q. Okay.

A. And he has obviously had some experience with this pilot that he feels that he's qualified to operate it and -- I don't particularly know this pilot so I can't answer for that.

Q. Okay.

A. But that's -- he's pretty knowledgeable in this area. He's been here a long time.

Q. So it's not typical that a trackman would be the --

A. Well, I --

Q. -- pilot in the car, but --

A. No, I wouldn't say it's typical for a trackman. It's not unusual to have somebody designated as the pilot. It could be a foreman. It could be, you know, a foreman, a equipment operator, a track foreman. I mean, as long as the roadmaster has confidence in him. And in this case, I know him and he reports everything. He was actually involved in the testing during the day.

Q. Okay.

A. I mean, he was right there. If they had a defect, he would call the roadmaster; say, hey, I just -- we just marked a 20 percent. So I -- it's not uncommon, but it's not -- you know, but it is -- usually we have, I wouldn't say -- I mean, it's probably -- I just did a study on how much we use managers and how much we use non-managers and I'm trying to remember what the number was.

Q. Well, that's okay. We --

A. But it's like, you know, 70/30.

Q. Okay.

A. So it's, you know -- like, it's not exactly the number, but it's not unusual to have --

Q. Okay.

A. -- somebody else on there.

Q. Okay. And I also understand that just because his being in position as a trackman, that doesn't mean that he's not had other, you know, qualifications and, you know, could have been a foreman at one time or a track inspector. I fully understand that.

Okay. And to that, just kind of a follow-up. There's no written policy -- and I think you already answered this with the roadmaster or the designee -- there's no written policy that that manager will be on that test car --

A. There is a -- we have a maintenance of way instruction that says that the roadmaster or his designee can -- but he has to be designated by the roadmaster and he's got to be approved by the

engineer of track --

Q. Okay.

A. -- is exactly what the -- or that it's division engineer. It used to be called engineer of track. And that's in --

Q. Okay.

A. -- in our maintenance of way instructions, 502.

Q. And I believe I don't have anything further at the time.

MR. HIPSKIND: Okay. Thanks, Joe.

Jimmy?

MR. GRUPPOSO: I don't have anything.

BY MR. HIPSKIND:

Q. Okay. Brad, great discussion. Let me come back and button up some things. Because of the proximity of time when the Sperry car ran, which was the Friday, Monday and Tuesday prior to the incident, have you had a chance to review the screen data for the run in that curve where the derailment took place?

A. I've had a chance to look at a focused area where the known service failure was.

Q. Okay. Do you want to add a little characterization or your thoughts about that limited review?

A. Yes. I can. We had a service failure and we even had a marked defect. The service failure was in January, because we looked that up. And you can clearly see the joint bars and the service failure on the Sperry --

(Off the record.)

(On the record.)

MR. HIPSKIND: Okay. After a technical malfunction here, we're going to resume the interview with Mr. Brad Spencer.

BY MR. HIPSKIND:

Q. Brad, I think I had put out a general question about the screenshot data and review and I think you were characterizing it. So let's pick up there and we'll come back over a few of my questions.

A. Okay. We can see the -- I said the joint bar, you can see the joint bar, but you can't. You can see the holes where the joint bar are located on the service failure and you can see the service failure because it's at a little bit different angle than a straight break. So that is an identifying signature on the screen.

Q. And I think you also gave some proximities that after the holes that probably were indicative of a joint bar, that the defect was located 3 feet to the south of that?

A. That's correct. Three feet that -- the most recent detected defect that was marked by the RailTest on 428 was 3 feet east of the service failure, that was barred.

Q. Okay. So when we say service failure, we're talking about where the two rails meet. So 3 feet south of that?

A. That's correct.

Q. Okay. And then I think you said something about and

then after where the TD was marked, about another 5 feet to the south was another field weld?

A. That is correct. Five feet south was a -- there was holes from a previous bar that was on -- that was there located before and then there was a field weld, so --

Q. Okay.

A. But no bars, no.

Q. And hopefully we're not doubling the hill with asking these questions a second time, but in terms of we had requested some of the previous tests this year and I -- we asked for three. I think you provided us data on the last four tests. And my question was, was the operator for those four tests, was it the seasoned operator or do we know if there was some kind of relief or anything like that?

A. Steve Jefferies (ph.) is our regular operator there and he -- I haven't had a chance to review back to the January test, but he was the operator on the last few reports.

Q. Okay. And we were also talking about, I think, CSX and Sperry are working on the review of Tuesday's test, and I had asked if and when you get results with that you'll share that with the investigation, right?

A. Yes.

Q. Okay. And the next one was just to clear up the ambiguity of -- you had mentioned something about 70 percent and 30 percent and I -- the way I took that was that 70 percent of the

time, or thereabouts, managers are on the cars and the other 30 there's some designee or delegated person?

A. Yes. I actually, like I said, I did a study and just looked it up. And in Huntington Division for 11 months in 2013, so it was January 1st to December 2013, 55 percent of the time was a manager on the vehicle and 45 percent was a non-manager.

Q. Okay. So those --

A. To be exact.

Q. But that's the Huntington Division, right?

A. Yeah, that was only Huntington Division.

Q. Okay.

A. C&O Division, sorry.

Q. That's all I've got for right now, and I do appreciate -- well, let me, I just remembered there was one more topic I wanted to talk with you about. And you've been out there since day 1 with the investigation and I wanted you to characterize or share your observations about the condition of the rail in the incident curve and to just kind of tell us what you think about that or how we should think about it?

A. The rail surface, RCF, the rolling contact fatigue, looks good through the area. I mean, it's not perfect but it doesn't look like it's a real problem. I do see some light grind marks that are still there so I know the rail has been ground. I don't know how recently it has been, but the RCF does not look terrible. It's decent. The tie condition looks well, what I can

tell, and I don't see a lot of issues that would cause geometry-type problems.

There is a history of defects in that curve and it did trigger our system to -- for rail replacement and it was scheduled for the rail replacement. We're doing what we were supposed to do. I mean, we definitely have attention on the curve and we've got focus on the curve. It just, hindsight, it -- you know, if the rail has something to do with this derailment, it would have been, you know, a few weeks later before it was replaced.

Q. Okay. Brad, again, my sincere thanks for everything you're doing with the investigation, adding value. That's all I've got for right now.

MR. HIPSKIND: Mr. Farmer?

BY MR. FARMER:

Q. Yeah. Russell Farmer, Allied Federation.

Brad, prior to the technical difficulty, Mr. Hipskind also asked you about the type of rail that was in the curve and the date and everything. Could you go over that again?

A. The high side of that curve is the only thing I have seen so far, which has been 1990 Nippon 132RE. Track number 1 looks to be 122 pounds, so --

Q. And that was supposed to be replaced later in the year?

A. That's correct. The production rail, production teams were going to be on the James River in 3 weeks. So it would have been in that cycle. I don't know how many weeks the rail team was

going to be there, but somewhere very close to the 3-week mark they would have been there.

Q. And then I picked up and I was more or less trying to get clarification, because I understood Joe Jackson was the operator and you said that he was the assistant division engineer and that Steve Jefferies was the operator?

A. That's correct. Steve Jefferies is seasoned Sperry operator.

Q. Now is he actually employed by Sperry or is he employed by CSX?

A. He's a Sperry chief operator.

Q. Okay. So he's employed by Sperry?

A. That's correct.

Q. Okay. All right, just clarification for me.

And when they find the defect, you said that they would -- like if a contract employee and not the supervisor was on the car, they would tell him what the defect is and what the remedial action should be or is the contract employee contacting the manager to see what remedial action?

A. Typically the initial remedial action is usually accomplished by the pilot, typically. The Sperry employee, the chief operator in the car, only identifies the defect. They don't instruct anybody about remedial actions. That's the division's responsibility. So they only identify the defect and the size, the type of defect. They mark the location on the ground so it

can't be confused with anything else and it clearly identifies it.

The pilot on the car is responsible for putting out initial remedial action. So if the defect's large enough, depending on the type of defect, they may need to contact a dispatcher to put a temporary speed restriction on it. That's their responsibility and they typically carry our maintenance of way instructions that tell them exactly what the remedial action schedule is for each type of defect and what size.

Q. And you had also just mentioned that there were marks on the rail indicating that rail grinder had been through at some time or another?

A. Correct.

Q. Will the heat from the grinding cause the defects to get larger or have any effect on the defects?

A. I don't know if there is any research on that. We haven't had any experience with problems because of that.

Q. Okay. I think that's all I have.

MR. HIPSKIND: Thank you, Russell.

Joe?

BY MR. GORDON:

Q. Just one more time with the -- to discuss a little bit about the ratio of the mix. I know you said managers on C&O Division, and it varies by division as to when it's a manager and when it's his designee. Is that primarily left up to the division to make that determination of when it's a manager and when it's a

designee?

A. Well, like I said, we have a maintenance of way instruction that says that we prefer to have a manager because experience tells us that we get better track time --

Q. Okay.

A. -- because they're -- managers are a little bit more, you know, aware of their times and -- you know, we have goals for the vehicle. They got different -- they align differently with our goals than the non-managers.

Q. Okay.

A. So we tend to do better. So and Huntington, it's 55/45, but with experience with Steve Bennett is if we look just at his subdivision, I think you would -- and he mentioned it earlier, maybe 90 percent of the time, and from my experience with him, I know that that would be about right.

Q. Okay.

A. So I could pull that information for you if you --

Q. Oh, I don't think we'll need that by any means.

Now, the manager being on the car and the MWI standard or instruction that states that, is that primarily for a rail testing productivity or is that for safety to ensure that the proper remedial action is applied at that location?

A. Well, I would say, you know, the primary reason is for safety, to make sure that we're applying the right remedial actions. And we've got -- now we've talked about this once

before, about ATIS. Our ATIS system is an automated track inspection system, is -- it also, when the defect is input, it automatically puts the remediation schedule in there for it, depending on the size. So it's also tracked that way.

So the initial remedial action when they're on the ground and when they first mark the defect is what that pilot initially is responsible for. And that's, like I said, if it's a big one, he can put speed restriction on it or he might tell the section, you know, you got to come here and put bars on this first or -- you know, that comes from the pilot. And that's his responsibility. Like I said, they -- I kind of got away from the question, that why he has the MWI, and the MWI is to make it efficient but also to make sure that we're applying the right remediation for safety.

Q. Okay. And just back to the scan and what you had seen on there. We had reference of where the service failure was and then a -- the service failure, and then 3 feet to the Sperry defect that was identified the day before the accident, and then another 5 feet to the east field weld. Do you remember the location of the west field weld?

A. I do not, and it was a very small focused area that we were looking at. I haven't got the data or a bigger scope of the area, so -- you know, only that small focused area and I didn't look beyond that. I did not see the weld.

Q. Okay. All right. I have nothing further.

UNIDENTIFIED SPEAKER: I have nothing (indiscernible).

MR. HIPSKIND: Jimmy, anything?

MR. GRUPPOSO: I have nothing.

BY MR. HIPSKIND:

Q. Well, Brad, you've gone through this drill a couple of times with me. Is there anything that's on your mind that you think would be helpful for us to understand, maybe something that we've missed talking about topically or anything like that?

A. No, I don't believe so. I mean, I think the roadmaster in this case was doing the right thing and, you know, from my experience with him, he's excellent usually with the vehicle and is very good at organizing and prioritizing.

Q. Okay. Well let me -- let's pull back and I want to -- because I know you see a lot of data and I know you see some trends, but can you characterize for me -- you know, the worst, one of the worst nightmares we've all had in the industry is that Sperry comes over and tests your track, and so how often have you seen where they test on a day and then the next day or the next day there's a service rail failure or there's some kind of a break following things they've identified?

A. I have seen it. It's not really common. Typically you'll run into areas that might be a non-detectable situation, you know, or rail testing's limited. We can't get into the wings and the base, can't get to base period. And there's definitely areas where we've had base defects that have caused broken rails

that really there's no way to currently test it. So that's the only thing I would say about that. I mean, that's -- it's not a very common situation where we've tested frequently and -- we usually, if it gets worse and -- or an uncontrollable situation where it starts running away from you and, you know, you usually take more corrective actions than just testing.

Q. Okay.

MR. HIPSKIND: Gentlemen, anything else you want to add? Questions?

Hearing none, again, I, on behalf of our group, you're part of our group, we'd like to extend our sincere thanks and appreciation. You're adding value, you're helping us to know and understand CSX policies and how all this, how all these moving parts kind of come together to manage rail risk. I know that you and I have a list we'll probably have to go over on some follow-up documentation, but again, our thanks. And if nothing else, we'll conclude the interview. Thanks again, Brad.

(Whereupon, the interview was concluded.)

CERTIFICATE

This is to certify that the attached proceeding before the

NATIONAL TRANSPORTATION SAFETY BOARD

IN THE MATTER OF:	CRUDE OIL TRAIL DERAILMENT WITH HAZARDOUS MATERIALS RELEASE APRIL 30, 2014 LYNCHBURG, VIRGINIA Interview of Brad Spencer
DOCKET NUMBER:	DCA-14-FR-008
PLACE:	Lynchburg, Virginia
DATE:	May 2, 2014

was held according to the record, and that this is the original, complete, true and accurate transcript which has been compared to the recording accomplished at the interview.

_____

Karen A. Stockhausen
Transcriber