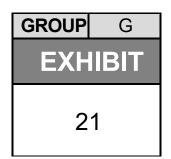


National Transportation Safety Board Investigative Hearing

Norfolk Southern Railway general merchandise freight train 32N derailment with subsequent hazardous material release and fires, in East Palestine, Ohio, on February 3, 2023



Agency / Organization

NTSB

Title

Interview Transcript – Randy Fannon,
General Chairman,
Brotherhood of Engineers and Trainmen
May 2, 2023

Docket ID: DCA23HR001

The latter portion of this interview has been removed because it is a separate topic not directly related to the NTSB hearing. The entire interview will be entered into the NTSB public docket at a later date.

UNITED STATES OF AMERICA

NATIONAL TRANSPORTATION SAFETY BOARD

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Investigation of:

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NORFOLK SOUTHERN TRAIN DERAILMENT *

IN EAST PALESTINE, OHIO * Accident No.: RRD23MR005

ON FEBRUARY 3, 2023

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Interview of: RANDY FANNON, General Chairman

Brotherhood of Engineers and Trainmen

Washington D.C.

Tuesday, May 2, 2023

APPEARANCES:

STEPHEN JENNER, Ph.D., Human Performance and System Safety Investigator National Transportation Safety Board

ANNE GARCIA, Ed.D., Human Performance and System Safety Investigator National Transportation Safety Board

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INTERVIEW

(11:17 a.m.)

2.0

DR. JENNER: Good morning. Today is Tuesday, May 2nd, 2023. The time is 11:17 a.m. My name is Stephen Jenner and I am a human performance and system safety investigator with the National Transportation Safety Board. We are at NTSB headquarters in Washington D.C. Today we are meeting with a BLET official, Mr. Randy Fannon, as part of NTSB's investigation of Norfolk Southern's safety practices and safety culture.

But first I'd like to go around the room and we'll have you introduce yourselves and your name and title, your affiliation and spell your name, please. Again, I'm Stephen Jenner, S-t-e-p-h-e-n J-e-n-e-r. I'm a human performance and system safety investigator with the NTSB.

DR. GARCIA: I'm Anne Garcia, G-a-r-c-i-a, and I'm also a human performance and system safety investigator with the NTSB.

MR. FANNON: And my name is Randy Fannon. I'm a BLET vice president, I'm the director of short line department, I'm also the national coordinator for the BLET safety task force. And my name is spelled Randy, R-a-n-d-y, Fannon, F as in Frank-a-n-n-o-n.

DR. JENNER: Thank you. So in the last few months, Norfolk Southern has had several train derailments on their main line, including one in East Palestine, Ohio. We have heard Norfolk Southern officials state that their goal is to have the strongest safety culture in the railroad industry and we'd like to explore

your experiences with NS to better understand how close they are to achieving their goal. So thank you for meeting with us and sharing your insights.

INTERVIEW OF RANDY FANNON

BY DR. JENNER:

2.0

- Q. But can we first hear about your background, how you got involved in the railroad industry and walk us through to your current position?
- A. Yes, sir. I hired in Norfolk Southern July the 5th, 1988, in a little town, in Norton, Virginia, as a brakeman. In May of 1989 I was promoted to conductor. In November of 1990, I had my seniority as a locomotive engineer. And soon after that, I began working relief yardmaster, it's a -- it was a management position in the coalfields of Virginia, Kentucky, and West Virginia, I began working relief yardmaster. And then in 1991, I was promoted to a supervisory role as a yardmaster in Grundy, Virginia, at Weller Yard.

In 1993, as a result of a company-wide buyout of senior -- of managers to downsize management, I was promoted and transferred to Decatur, Illinois as assistant trainmaster, where I spent 4 years, almost 5. And then in October of -- no, excuse me, January of 1998, I was promoted to trainmaster in Toledo, Ohio and then in October of the same year, 1998, I was promoted back to Weller as a road trainmaster, in charge of a road territory. And then June of '99 history was made when the Conrail acquisition was given

fruition and October of '99 I was promoted and sent to Buffalo,
New York as terminal superintendent and I was there for two and a
half years. And then in December of 2001, I was promoted to
terminal superintendent in Harrisburg, Pennsylvania and then in
March of 2005, I was promoted to terminal superintendent in
Chicago, Illinois. And then in 2006 -- excuse me, December of
2005 there was an issue in Chicago with one of my subordinates and
I was basically relieved of my duties there and I exercised my
seniority back to the ranks as a locomotive engineer in January
3rd, 2006 where I remained.

2.0

And then in 2009, I was elected to my first union job as local chairman. Two thousand -- as local chairman. In 2012 I was elected to vice general chairman. Two thousand and 16, May of 2016, I was elected general chairman and I held that position up until December 31st of this year.

And on January the 1st, I was elevated to vice president of the BLET, a position I currently hold and that position is I'm in charge of the short line division, I'm in charge of organizing, I assist with education and training, and I'm the national coordinator of the BLET safety task force that works hand in hand with you in the rail department of the NTSB on accidents and incidents that the NTSB launches upon. I've been doing that, safety task force, since 2012 and I went to my first launch in Petal, Mississippi. I've been on 10 launches alone, but I've assisted with just about every launch in the submissions and the

- 1 information and gathering and editing and so forth and so on. And
- 2 then since January, as the national coordinator, those submissions
- 3 come in under my signature to your department. And that's the
- 4 | history of my career to this point, I've got thirty -- about 36
- 5 years in the industry going on 37.
- 6 Q. Thank you. Just to clarify, when you first joined the union
- 7 or first became a union position, was that with BLET?
- 8 A. With BLET.
- 9 Q. So it's always been with BLET?
- 10 A. I joined the BLET in 1989 and I've been a member before,
- 11 prior to going into management and then I've been a member ever
- 12 | since.
- 13 DR. JENNER: Okay.
- DR. GARCIA: So you can be a member of BLET when you're in
- 15 | management?
- MR. FANNON: Sure. You pay dues. You get no coverage from
- 17 | anybody, but you can still pay the dues.
- 18 BY DR. JENNER:
- 19 | Q. All right, thanks for your background there. So as I said in
- 20 | the opening comments, we're exploring the safety culture, safety
- 21 | management systems that are part of Norfolk Southern, but I'm just
- 22 | going to start off with a very general question, tell me what it's
- 23 | like working at Norfolk Southern all these years and how have
- 24 | things changed through the years?
- 25 | A. I can tell you myself, personally, this is a personal

rendition. I have been proud to work for Norfolk Southern over my career. In recent years, I don't feel as strongly about it. It's not because of the union affiliation, it's the change that Norfolk Southern has undertaken. And it is where management and labor worked together for a great number of years and in 2019, because investors or hedge funds got involved, management's theories changed. I mean, there's always the management/labor adversarial things on -- due to certain topics, but it doesn't -- there should be no adversarial about safety.

2.0

In NS, when they hired their consultants to come in and then promoted them within the company, they removed labor from all discussions about any topic. They, management -- and his name was Mike Farrell at the time, he was a contractor, and then they made him vice president of transportation. His first instruction to all management on Norfolk Southern was to stop talking to labor, that labor is not going to do anything, push the envelope, go outside of the agreements and keep going until labor stands up and takes an objection to it and then we'll see how far we've pushed and what we can get away with.

And so up until today, labor and management really still do not have that bond that they had prior to 2019. And what happened prior to any of that is that, you know, NS was a long-time winner of the E.H. Harriman Award, proud safety medal that was given out yearly for the lowest number of accidents and incidents for per man hour and NS won it for 21 years straight and then all of a

sudden, they went away, it just stopped. I guess all the others got tired of NS "winning" ever year, so they disbanded the E.H.

Harriman Award. And all of the people in the rank and file thought that was odd because safety, is safety still important?

NS has their rule book so gray and they allow a low -- a brand-new assistant trainmaster to "interpret" what the rule means, to -- in another word, to take an exception to somebody they don't like or to be able to accommodate someone that they do, but the gray area is so wide, it's not specific, and they'll -- that gives them a lot of latitude and they have that in every aspect, the safety rule book, the operating rule book, whatever, it's not specific.

2.0

They even have it in their attendance policy. But NS changed in 2019 and the CEO, Jim Squires at the time, said I have to do what the investors tell me to do, we're working for the investor now. We're not working for the customer anymore, we're working for the investor. And the investors, the hedge funds, have told them that they were able to get \$15 billion of profit for their investment out of CSX and they wanted their \$15 billion out of NS.

And so the drive at that point was to get the stock up as high as they could, to return the investment value back to the investor and the only way to do that was to cut, and NS began a cut -- cost-cutting endeavor. The administration at the time, at the FRA, was very favorable to management and they allowed some -- a lot of latitude with any requests, so the waivers were being granted for a lot of things. Car inspections went from a thousand

mile to three thousand miles, locomotive from 92-day inspection to 6-month inspections. A lot of latitude was given to the railroads so they could cut costs. Track inspections changed and I can't tell you exactly how the track inspections changed, but you had less track inspectors, you had less people, you had less carmen, and then you had less T&E ranks to run the trains.

So then it was to maximize -- well, Mike Farrell said it in a meeting with me in the room, that they were going to begin downsizing Norfolk Southern, that they -- the most -- the people they had working that day would be the most Norfolk Southern would ever have in the history of the company ever working for them again and they're going to cut and they did, they cut down to 17,000 people.

DR. GARCIA: From what?

2.0

MR. FANNON: All departments, they had 22,000. So they cut and they cut and they cut. So when you cut -- Farrell's analogy was to cut until they can't run a train and then they would add back. And that was in the operating craft. But the other crafts took it worse. They combined territories to make these huge track inspection territories or car department inspection territories, they closed yards, and with the federal regulations, if there's no yard and no mechanical people, it don't have to be inspected there, it would run to the next mechanized point to where a car would have to be inspected which could possibly get it out. And this East Palestine derailment, the car came from a foreign

railroad at St. Louis, an interchange, it went to Decatur,
Illinois, they had issues there, the train wasn't inspected, they
only had one carman working third shift when the train came in and
departed and if the car was inspected under the old regulations,
it would've been inspected in Decatur, Illinois. But yet, it got
away and it resulted in the East Palestine derailment which
triggered everything that -- why we're in the room today.

In essence, had several high-class or high-profile incidents since, they had a fatality in Cleveland; a derailment in Springfield, Illinois; another derailment in Bessemer, Alabama. Now they've had a rear-end collision just yesterday. And until NS goes back to basics, what they sowed in 2019 is still here and the open dialogue and the open communication has still not been turned back on with the labor leaders to get the buy-in of every employee back in Norfolk Southern, that safety is important to them and it's not there right now. To every -- from the bottom person in seniority to the top, the buy-in is not there in the safety culture at NS.

BY DR. JENNER:

2.0

- Q. Thank you. I don't want to put words in your mouth, but it sounds like what you're describing is saying that productivity and safety are perceived as in conflict with one another.
- A. That's the message that Farrell put, that they would lower safety, but in my history as a manager, things can be done safely and still obtain productivity. NS was very well at doing that,

that's their long history of the E.H. Harriman Award is that they were able to get productivity, able to get new customers, able to attract business, able to service their customers and run trains on time while being safe at it. And demanding safety, NS demanded safety back in the day, they demanded it and the first sentence of the rule book, it states that safety is the first importance in the discharge of duty, that is their first sentence. But yet, today it is operating on -- safety is number four, working safely is number four.

- Q. Can you talk a little bit about that, when did it go down from number --
- 12 A. Twenty nineteen.

2.0

- Q. Twenty nineteen, prior to or up to 2019 safety was number one?
 - A. Number one. Safety, everything you heard, you had a job briefing, it was about safety with a manager, you had the first discussions, everything was about safety. The first slide of a presentation in your rules classes that was held annually, was about safety. This is how safe the territory you're working in is or this is how safe the division is or this is how safe the company is. Due to the cost measures in 2019, they went from an annual rules class to every 3 years, so now you do not bring your T&E operating people in except once every 3 years and that way they did not lose 1 or 2 or 3 days of productivity every year, now you only had to do it every 3 years. And bringing people together

to bring up issues and ideas and everybody in the same room talking about the safety statistics or talking about this is tantamount to having it out in an open discussion. NS, in their efforts to raise the value of their stock, made that one of their cuts and not bringing people in, not telling them how important they are and their safety has led to everybody's perception that safety is not important at NS.

2.0

- Q. Do you have an insight about why, in 2019, as you described, they stopped talking, management stopped talking to labor, what's the incentive behind that?
- A. Well, the BLE, from 1996 until 20 -- the agreement that's current in -- well, not the current one, but it expired in 2020, December 31st. From 1996 until December 31st of 2020, every agreement between the BLET and Norfolk Southern was done on property.

And what I mean by that is the three general chairmen sat down with Norfolk Southern and worked out a labor agreement locally, didn't involve the national, didn't involve any outsiders, they'd sit down with the vice president of labor relations, the vice president of operations, and the three -- and they hammered out an agreement and they had agreements in place before other ones expired. And the dialogue, to be able to walk in to the chairmen or the chief operating officers and have a conversation was there. In 2019, with the inception of PSR and bringing in these outsiders that never worked for NS and then

ending all communication, when this agreement expired, I was a general chairman at the time, we attempted to continue that history and make an on-property agreement, but NS said no. Their upper management was not interested in having any dialogue with the general chairman at the time and so they reverted back to the national agreement and then that took years to get finished, they just got finished in the last year and the relationship that -- so NS would be able to call the general chairman and said hey, in my case, "Randy, I need some help, we need some help at Norfolk, Virginia, and we need some latitude here," or a hurricane hit at New Orleans and they would call Jerry or Mark and say hey, we need some help here because we need to get some cars moved.

2.0

So we would help them out -- sometimes outside of the confines of the agreement and allow them a lot of latitude and then get back into the confines of the agreement after the emergency had subsided. Well, in 2019, that dialogue stopped.

We used to be able to pick up the phone and call the vice president of transportation and said hey, we got this problem and we need it fixed and they would fix it. Well, they wanted no communication with us. They told us we had to call the local trainmaster or the local people, and then they had no idea and it just ended. The attitude shifted when they went into the PSR mode that they did not need labor, labor was going to be a roadblock to their PSR endeavors. And so that communication stopped and when the communication stopped, the adversarial conflicts began rising

and that we had never endured before. Discipline was at an all-time high until they could not -- until COVID hit. When COVID hit, discipline stopped because they didn't have enough managers, their management turnover was -- they couldn't get people to work, I mean, their turnover was 75 to 90 percent turnover in the management ranks and then we had a lot of T&E people that were leaving, quit to go to other jobs, other industries, going on disability or retiring at a high number because of these changes that was instituted at NS.

And it has decimated the industry nationwide, in essence, just the one that's being under the spotlight right now due to their -- UP's had several incidents lately, the runaway train in California, they've had a fatality, they've had, you know, trains hit head on and it's all the same issues, it all started with PSR models, 2019, 2020, when all these railroads adopted PSR and safety culture went out the window.

BY DR. GARCIA:

- Q. You mentioned that in 2019 Norfolk Southern saw labor as a roadblock to PSR implementation.
- A. Yes.

2.0

- || Q. Were they?
- A. Well, I mean, if they would've communicated, there's things
 that we could've negotiated with locally on property to help them,
 okay, to achieve a goal, but we offered -- okay, so on the CP
 railroad they have what's called an hourly rate agreement, okay?

At the end of last year with the raises that went into effect in January, those engineers are making \$63 an hour, okay? But they have no arbitraries, they can run trains from Point A to Point B, they can switch cars, they can switch industries, they can do whatever. We had limits in our agreements. We were willing to go to an hourly rate agreement to give them more flexibility and more latitude. NS wanted no part of it because they didn't want to spend any of the money. So if you're wanting to be able to have these -- the benefits of these issues, sit down and negotiate. Well, they want the benefits by going outside of the current agreement without paying for it.

2.0

And the only way they pay for it is in a time claim model which takes years to run its course to get it to arbitration and so in essence, doing the same thing but with an impetus of paying for it down the road, if they have to, and that creates a lot of animosity to everyone because prior to 2019, if me and another person was on a crew together and we were asked by a manager hey, I need you to go over here and I need some help yarding a train, and that manager would look at me and say Randy, I'll pay your out-of-territory day because you're going to go do me a favor.

So we'll go over on another territory and bring the train in. The manager paid the out-of-territory day. That was my -- that's a contract violation and I was getting paid to violate the agreement but do the company a favor and bring the train in.

Well, they got to the point after 2019, they instructed me to go

get it, that train, and then not pay me for the contract violation. And so it's pushing the envelopes between labor and management that the relationships were built before and now those relationships are all being severed and it's upper management's decision to sever those relationships.

In an industry such as the railroad industry, you have to have relationships to make things -- everything's not going to go perfectly every day and the relationship you make determines how well your operation went and NS severed all relationships and then they want -- they still, to this day, refuse to come and ask for the BLET or SMART to help buy in and fix these issues, they don't want to fix them because they're more worried about their stock price instead of what it's going to cost them.

The PSR Ponzi scheme that Hunter Harrison created is a false narrative, it's to cut everything down to right before it disintegrates and then they have to build them back. At CP, when Hunter Harrison left CP, Keith Creel has had to spend a lot of money rebuilding CP and relationships with the labor and their customers. NS hasn't got awakened yet that they need to do the same thing.

BY DR. JENNER:

- Q. So you discussed earlier that safety was at least discussed as a priority prior to 2019 --
- 24 | A. Yes.

2.0

25 | Q. -- safety was discussed at safety meetings.

- A. Safety first.
- 2 | 0. Did their actions reflect that?
- 3 | A. Yes.

2.0

- 4 | Q. Okay.
 - A. Prior to 2019 the actions reflected everything that they talked about. Their actions and words matched, okay. Now, you always had the inexperienced or the people looking for a favor or looking the other way or however you want to say it. But for the most part, every -- from the top down, from the chairman to the brand-new supervisor, safety was told to be the number one aspect and after 2019, all of that stopped. I mean, it was like they flipped a light switch and it just stopped.

And it's obvious, not only to the labor leaders but it's obvious to the brand-new man they just hired on the railroad, in all departments, it was obvious how it changed. The mentality changed and then the economy changed and then COVID hit and when COVID started coming back, they didn't have enough people to run trains or they didn't have enough people in the car department or they didn't have enough people.

At that moment, when everything started coming back and the train volumes started picking up is when key decisions, in my opinion, were made that's created here today and that is they took every shortcut they could to close yards, bypass safety inspections, and to run trains. I mean, out of Roanoke, Virginia, they started making these trains longer and longer and heavier and

heavier. Every day trains were getting knuckles and putting people into situations where they could get hurt, injured or whatever, and was forcing them into doing these things. Trains were blocking road crossings for 8, 10 hours a day and they were getting verbally abused by the public. And one of my engineers was actually arrested for following instructions of Norfolk Southern and blocking a road crossing for hours at a time. The sheriff's department showed up at his house and put him in handcuffs.

Because of the train length, PSR models, they couldn't run the way they wanted to and all the issues that was going on, they showed up and arrested him. And then NS had the audacity to charge him for a disciplinary hearing for failure to follow the state police direction, but yet he was following the direction to do exactly as he was told by Norfolk Southern.

So all of that shows the mental state of NS's adoption of PSR and not safety because prior to all of this, a train would be told to stop back of a road crossing and not block it for hours at a time. So it put our T&E people or our carmen or anybody else into situations that they weren't used to and so the safety culture has taken a decline.

- Q. You mentioned the increase in discipline at an all-time high.
- 23 | A. Yes.

2.0

Q. How am I to understand that? Is that because people were, for whatever reason, violating rules or was it because they're

being held to a higher account or something else?

2.0

A. Well, a lot of -- all right, so a lot of our T&E people, it's human nature to do it the easiest or the shortest, short-cuttest (ph.) way or whatever you want to say, but discipline was at an all-time high in 2019 and I'm talking about major discipline which would result in taking an employee to arbitration. I had a small territory as general chairman and it went from Virginia Beach to Columbus, Ohio, from Hagerstown, Maryland, to Winston-Salem, North Carolina, so it's not -- not a huge territory. And I had 60-some dismissals at the all-time high out of that territory at one time.

After PSR, after COVID hit, my last year as general chairman, I had six dismissals. So how can you explain, to go from an all-time high to an all-time low of dismissals in major discipline in that short period of time? That's where supervisors were no longer focused on safety, it was all focused on running trains on time and they took their eye off -- as a baseball player analogy, you took the eye off the ball or golf analogy, you took your eye off the ball and you missed.

Well, supervisors, there wasn't enough of them, they weren't in the field to observe safety issues or to correct safety issues. You know, when our members would come back and tell me -- when it gets to the general chairman, there's a problem because you should've been handled locally. And trees were blocking a signal, trees, some vegetation, something was changing, a customer was doing something different. It should never get to a general

chairman, it should stay locally and have it fixed. A lot of that information was getting to the general chairman to have to deal with NS at a corporate level to get safety items fixed and then it was still taking months after that to get it corrected. Locally, NS had a safety committee, okay, that met monthly and all crafts and management was on these safety committees. NS disbanded them.

So how can the company say safety is our main focus when safety is no longer having a meeting and you no longer had a local voice to tell the management hey, I got weeds here, I got bad footing there, I've got a derail or a switch hard to throw at an industry or they're doing this at an industry, there was nothing to tell NS, along with that, that was part of their issues with PSR was that they were spending too much money on safety committees and they disbanded them.

So safety was not number one anymore after 2019, it was obvious. And then they posted these documents that I provided, the annual reports, the publication for financial investment, analyst conference, and these -- what's hung on every principle, the five principles on every bulletin board, safety went from number one to number four.

- Q. And this was the five principles, this was in 2019 --
- 22 | A. Yes.

2.0

- 23 | O. -- that it changed?
- A. And their key disciplines, which is also on the bulletin board, says they'll run trains on time, that was number one,

instead of safety. Switch cars in less than 6 hours, right car, right train, and right block and then do it safely. You know, NS -- we, as the general chairmen, questioned NS about it and verbally they would say oh, you know, safety's still important to us, it's number one, but it's number four on this list, so it was lip service. And I brought the other two documents to point out that it was made in public venues by the chairman and put out publicly, that safety is number four.

But the NS safety -- I mean, I'm still proud of Norfolk Southern, I mean, what they're going through right now is also going to be going through on the UP, it will be -- we had our issues with CSX (indiscernible) driving (ph.) Kentucky. Then you had Hyndman, Pennsylvania on CSX, that was one of the very first ones after PSR, the long trains, and things like that.

To get back to a safety culture, it has to get back to basics and it begins with training people properly, focusing on safety, and then, you know, doing the right thing at the right time and working with the labor people. Labor's not an impediment, it is here to work together as the voice of the employees.

- Q. You mentioned training, is -- are you concerned about the training, the quality of training?
- 22 | A. Yes.

2.0

- 23 | Q. Okay, can you talk about that?
- A. So when Norfolk Southern used to train the conductors, it would take anywhere from 4 to 6 months to train a new hire and

that included 30 days in McDonough, Georgia. And as time went on and the previous administration changed the rules and allowed people to change their training scope or training programs, I mean, so now training in McDonough has went from 30 days to as little as 2 weeks and then their plan is to have them marked up and working as a conductor alone in 60 days, total. So if you hired on January the 1st, the goal was to have you marked up as a conductor on March the 1st, 60 days.

2.0

Now, some people took a little longer, not many, because the trainmaster had to answer for anybody that went over 60 days, so whatever impediment that they get to that they had to get this person marked up, they did it. So then they were putting them on a train and the engineer usually is a seasoned veteran, but that engineer is to look out for that conductor and tell him what he's supposed to be doing and if something were to happen a hundred cars deep in the train, that engineer can't see what that conductor's doing, or if they had to set a car out.

The training has diminished considerably, they're rushing people through, and right now, I was talking to the general chairman on NS, the number of run-through switches on a daily basis by a new-hire conductor in 90 days, within 90 days of being marked up, is at an all-time high. They're running through switches, and as I was taught in management, a run-through switch is a predictor to something big coming up, it's coming, and if they don't get things in the training and get some quality

1 | training back in, it's just a matter of time, I mean, before

2 | another incident occurs, hopefully it doesn't, but another

3 | incident occurs. A few years ago, in one year, the new conductors

4 | and trainees, they had three major incidents; one lost three

 $5 \parallel \text{fingers}$ out of a hand, one lost an ankle, and one lost a leg, all

6 within a year, all brand-new conductors, all because of the

7 | training program. And NS has lost its focus, the focus needs to

be put back into safety. They can still get the stock prices

9 higher while still focused on safety, they're just not there.

10 | Q. If I can, I'd like to better understand how, as you're

11 | describing safety culture and more discipline and less training,

how that affects certain components of operation. So to greatly

oversimplify something, we need to get a train from Point A to

Point B --

15 | A. Okay.

8

12

13

14

16 | Q. -- and it needs to be inspected and depart a yard, it may

17 | need some inspections en route, you may get some information from

18 | hot box detectors and other wayside detectors. Can you walk us

19 | through any changes that you've seen in that overall process,

20 | getting it from Point A to Point B?

21 | A. Well, as I gave you in my background, I was a terminal

22 | superintendent at major yards, okay, I was assistant trainmaster

23 | in Decatur, Illinois, so a lot of my time has been spent in the

24 | yards and management. So when cars come in to the yard, locals

25 \parallel bring them in, other trains, what have you, they classify the cars

and they put them in blocks. When it gets time to build the train and you have all the cars you're supposed to have, a yard crew will double up all the cars and set the train out for the mechanical department to inspect the train. They'll blue-flag the train in and usually two or three or four carmen would go over this train on both sides, they would lace air hoses, look for safety defects, and then they would do an air test because a hundred percent of the brakes had to work during that air test to depart.

2.0

In the day, after that was done, a road crew would be called, bring their power out, tie on to the train, if there were cars that had to be set out, a yard crew would either assist or they would do it themselves, set a bad order out. They would do their application release, make sure everything's ready to go and then they would depart. That was back in the day. And then they would go from Point A to Point B.

And these defect detectors was fairly new until they got, you know, more readily available and they would look for dragging equipment, hot box bearings, so forth and so on, over the territory and there would be an alarm that would go off and the crew knew when they got these alarms that they had to stop.

Technology came into play in the recent -- recent past, I don't know when, but these hot box detectors, and they put a desk on, for Norfolk Southern, and it was in Atlanta, Georgia, right beside the dispatchers, that it -- these alarms would notify this desk

that Train So-and-So had one trending hot or is hot and this desk would then tell the train that they either had to stop and inspect it where it was at, so forth and so on. I mean, NS showed me a camera that they've got in certain locations, it's a high-speed camera that they can inspect safety appliances as this train goes by, that they can zoom in and look for knuckle pins and broken ladders and so forth and so on.

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So NS is relying on technology to do what a human had done prior and this technology doesn't get everything right. So today a train, due to PSR, would get built in a yard and the management in the mechanical department said you had to inspect -- used to, like 3 minutes or so a car was what was average to inspect a car, now it's down to a minute. They had 1 minute to inspect a car. It's hard to walk 50 feet and look at every aspect of a rail car in 1 minute, 60 seconds.

And managers, when they started this, walked behind the carmen with stopwatches and timed them and come to this 1 minute because they found the person that walked the fastest and that's who they used to set the standard of the 1 minute. So then, so the inspections got down to 1 minute and they missed, they missed things. There's no way to do a proper inspection in that time frame. But they were relying on these detectors to catch this stuff. So now a train departs the yard, everybody thinks everything's fine and it goes over the road. But as it's departing, in the old days they would post two carmen in vehicles

if it was at night or even if it was day, they would be at the exit of the yard, watching the train leave, looking for handbrakes that might still be on or something they missed or a sticking air brake, what have you, something that they missed, may have missed, on a roll-by departure. When NS downsized the mechanical department, there's nobody giving that roll-by departure review as the train's leaving the yard.

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And so things that were getting caught before are no longer getting caught and they're now on the road. So the train's going from Point A to Point B and they're being relied upon these hot box or these defect detectors. So what happens now, unbeknownst to the crew, is if the car bearing is starting to get hot, this hot box detector desk in Atlanta gets notified, but the train crew is not unless it's "trending" hotter. The first ones had set the baseline, the next one it's hotter, and the next one could even be hotter.

There's no alarm going off until it gets to a critical state and the alarm out in the field would go off. But this hot box detector desk is supposed to be watching this. Well, if they're busy doing something else, they may miss this one. So human error can still miss something, it's just that it's a global scale when you have one desk doing it for the entire system. So as the train goes over, the desk tells them they have to inspect it or they get a critical alarm, the train comes to a stop, the conductor has to get off and go back to the area of the car, they're going to give

him the axles, the axle number, so he has to -- he or she has to count off the number of axles and then check 10 cars on each side to determine. They would have a temple stick with them to check the temperature of the bearing and the wheel to see what they have and -- if they can find anything, if they don't find anything, they radio it in, we didn't find anything, and then they tell them. If we found something wrong, they would either call a mechanical person that would have to travel there by truck, which delays trains.

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The entire key of this is doing it the way NS has done it, reflected to East Palestine, was to quit and not delay trains. We've been told that Mike Farrell again raised the threshold up of the temperature before it would set off a critical alarm because these are not regulated and no standard set by FRA to prevent the one-off train for stopping and delaying other trains when it didn't need to.

And I mean, I know I'm throwing Mike Farrell's name around a lot, it's not that there's a lot of animosity toward Mike Farrell, but he just didn't know what he was doing and that's why NS let him go eventually and he's -- but he's created this atmosphere at NS with the short time that he was there and -- so now you have a conductor on the ground, waiting on a mechanical person to show up or the dispatcher would tell them to take it to a siding nearby and have them set a car out, just to keep from delaying them any further, and then the train would go on and go to the next

location. Eventually, somebody would go and inspect that car, see what's wrong, okay to go or send it back to a shop somewhere else and -- or fix it right there, replace the wheels right where it's at, if needed. That's how it's supposed to work. East Palestine didn't happen that way. East Palestine, there was never an inspection indicator, it went on to Bellevue, never an inspection there, it kept going, went across two or three hot box detectors where it was trending hotter, the crew had no knowledge of that, and then it got a critical alarm and as the train was stopping, it failed because, you know, you put the brake on, it causes chain reactions, you put the dynamic brake on, it causes buffer forces and the wheel just couldn't take it anymore and then the wheel failed and a proper inspection back at the beginning, at the interchange, would've possibly caught this. There's no quarantee, no quarantee, that car could have failed, but -- there's no guarantee, but it was not inspected.

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And that's the same as the derailment in Bessemer, Alabama where they put two locomotives with the non-adjusting drawbars together, and the rule says you can't, all because a mistake was made when it came out of an industry, that these two were good to go and it traveled, what, 6, 700 miles before it derailed and it was just due to the terrain and the buff forces of the long train that caused those cars to not slue and the drawbars didn't slue and that caused the train to derail. It goes back to doing everything possible to get it out, get it done, and then mistakes

are being made.

- Q. You talked about the decrease in time to inspect a car in the yard from 3 minutes to 1 minute. Has the number of carmen or
- 4 | mechanics also decreased?
 - A. Considerably.
- 6 Q. Since when?
- 7 A. Twenty nineteen.
- 8 Q. Okay.

- A. And the same with track inspectors and, you know, not only did they put the stopwatches on the mechanical department, they put stopwatches on T&E conductors when they were servicing
- 12 industries or making pickups and setouts along the line of road,
- 13 they set standards that it takes this amount of time and if
- 14 something went wrong, all right, let's say that they published a
- 15 | time of 30 minutes to work something.
- 16 If you went over 30 minutes, you had to wake up the
- 17 | trainmaster in the middle of the night and say hey, I went over my
- 18 | 30 minutes, I need some new instructions. And then the
- 19 | trainmaster was mad because you woke him up at 2:30 in the morning
- 20 | to say you went over your 30 minutes. I mean, it's some of the --
- 21 | and I -- there's no other way to say it, asinine instructions that
- 22 was put out, all due to the stopwatch.
- 23 $\|Q$. So with the decrease in the number of carmen doing
- 24 | inspections, has that changed the role, responsibilities of
- 25 | conductors and engineers?

- 1 A. It has at certain locations, okay. So if there's no
- 2 | mechanical doing an inspection, the C-100 or the C-100, C-101,
- 3 | C-102's, any of this type of stuff that has to be done and the
- 4 | initial terminal air test, it falls back on the train crew, the
- 5 | train crew would have to do an inspection and is the train -- is
- 6 the conductor that's a 60-day wonder properly qualified to know
- 7 | what is or is not a defect, what works or what doesn't and, you
- 8 | know, they're under the same stopwatch to get going.
- 9 Q. Are conductors doing or asked to perform the task of a
- 10 | carman?
- 11 A. So in the absence of a mechanical department, so let's say I
- 12 pulled up to a yard where there used to be carmen that would do
- 13 | this work, they cut all the carmen off, so if I have to have an
- 14 | inspection, the conductor has to be the one to do the inspection.
- 15 | Q. And he's got to walk the train?
- 16 A. Has to walk the train. Supposed to walk the train.
- 17 | Q. Okay.
- 18 | A. So if there's an initial terminal air test that the
- 19 | mechanical department was doing before, now the conductor is and
- 20 | that initial airbrake test includes inspecting of the car, safety
- 21 appliances, the lading, everything, that --
- 22 | Q. The same checklist as a carman.
- 23 | A. Correct.
- 24 Q. But they're not --
- 25 A. Carmen.

- Q. They're not carmen and they're not -- I'm asking they're not trained as -- to do this.
- A. They're not, they're not. They're trained to look at

 something that -- like a broken safety appliance. When I hired as

 a conductor, I had an old head conductor show me hey, when you're

 doing an air test, this is what you look for, because a conductor
- 7 | -- in an industry there's no mechanical people, they have to do 8 | this inspection.
- ||
- 9 Q. Right.
- 10 A. It's similar to what a carman does. They don't have the
- 11 gauges for the brakes and stuff like that, but they still have
- 12 everything that they're supposed to look at, the side ladder, the
- 13 end ladder, the cut lever, the knuckles, the lading, if it shifted
- 14 or what have you, or if there's any damage to the car. But it's
- 15 different for a person that does it every day like a mechanical
- 16 department carman and a conductor that does it very rarely.
- 17 $\|Q$. Right. But industries never had carmen, is that right?
- 18 A. They do not.
- 19 | Q. Right, so they never -- so the conductor's responsibilities
- 20 | have remained the same at industries --
- 21 | A. Yes.
- 22 | Q. -- but have they -- but you're telling me they've increased
- 23 | at other locations.
- 24 A. Yes, they have increased at other locations due to the lack
- 25 of the mechanical department.

DR. JENNER: I'm sorry.

BY DR. GARCIA:

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- Q. Could you tell us for -- go over what this pre-departure check, checking of the train, looks like and how long does it take?
- A. Well, I mean, it varies on how big the train is, okay, and what the temperature is. First, you have to -- when you get the train solid, you have to charge the train for the parameters of the air. So if the air's set to 90 pounds on the head end, the least you can have on the rear of the train is 75. So they started putting distributed-power engines in the middle to help pump air through a very long train.

It's there for that as well as buff forces on the first half of the train, to minimize the buff forces. So you have to get the air up on a long train, so then when it comes time, the train is charged, the conductor says they're ready for an air test, you put the brake on in the cab of the locomotive and you use what's called as an airflow method.

So the airflow has to be below 60 pounds on the gauge, that the airflow is below 60, you put the brake on and that you don't have a weird airflow that there's a hole in the train line somewhere. So you tell the conductor that the brake is on, all right, so that conductor, depending on the size of the train, can take anywhere from 45 minutes to an hour to what it takes to walk -- they're supposed to walk both sides of the train, if they're

doing an initial air test, they're supposed to walk both sides of the train. So what normally happens is they walk one direction with the brake on and then tell the engineer to release the brake and they inspect the other side for the release. If they can walk on both sides. If they cannot walk on both sides, it's permissible by rule to knock the brake off and pull the train by the conductor while they're watching the release, making sure all

That still doesn't inspect the other side, if they can't get there, but that's -- so then the train, somebody takes the conductor, puts him back on the head end, or a utility man could be the person doing the brake test, watching on and off, the brake test, but there's no mechanical people there.

- Q. What about other things besides the brake test?
- 15 A. They're supposed to look at the safety appliances, the 16 ladders, the cut levers --
- 17 | Q. This is every time the train departs?
- 18 A. Yes. If it requires an initial terminal air test, they have 19 to look at it, every aspect of that.
 - 0. Okay.

the brakes released.

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A. Okay. Now, NS and other railroads do what's known as a block swap and what it is, is somebody else brings 50 cars in and they set the 50 cars in a block and set them off on a track. They provide an air slip that those cars were inspected and they're ready to go. Train B comes in and picks those 50 cars up and puts

- them in their train. Supposedly, those cars do not have to be inspected because they were previously inspected, okay? So the
- 3 only thing you do as a new train, you put them together, is you
- 4 make sure there's train continuity and that the brakes apply and
- 5 release.
- Q. So where would that previous inspection have been done, there at the yard or at the --
- 8 A. At the previous yard --
- 9 Q. At the previous --
- 10 A. -- before they came in, yes.
- 11 | Q. And is there any time or distance restrictions?
- 12 A. Right now, it's 3,000 miles. So 3,000 miles those cars -- if
- 13 | those cars travel 3,000 miles, they're supposed to have another
- 14 | inspection and that's up from 1,000 miles under the previous FRA
- 15 | administrator.
- 16 | Q. And where is that in the regulations?
- 17 A. C.F.R. 249, I don't know exactly, but it says that those --
- 18 | the waiver grants them from -- when I first hired on, the cars had
- 19 | to be inspected every 500 miles, 1988. Then it went to a thousand
- 20 | miles and it stayed that way through most of my career, a thousand
- 21 | mile inspection. And then, then it went to now, in 2020, I think
- 22 | it's when it got changed, it went from 1,000 miles to 3,000 miles.
- 23 | Q. So besides the air brakes, about how much time is allotted
- 24 | for the train crew to do a pre-departure check?
- 25 A. It's 1 minute a car.

- Q. One minute a car. That's the inspection, though?
- 2 || A. That's all of it, so if a conductor is doing, or a mechanical
- 3 | is doing the inspection, that's still 1 minute a car. So they
- 4 want them done faster, but 1 minute is the minimum.
- $5 \parallel Q$. Okay. So if there is a carman inspector there to do that --
- 6 A. Um-hum.
- $7 \parallel Q$. -- what does the train crew do prior to departure?
- 8 A. Not a whole lot. They check their paperwork, they get in the
- 9 cab of the locomotive, they do an application and a release,
- 10 working with the mechanical department. When the mechanical
- 11 | department said the brakes are applied and releases, then they
- 12 depart. The conductor and the engineer doesn't have a large role
- 13 | in any part of that inspection because the mechanical department's
- 14 doing it.
- 15 DR. GARCIA: Okay.
- 16 BY DR. JENNER:
- 17 Q. When the conductors perform these inspections, do you get a
- 18 | sense that they're confident in their abilities or --
- 19 | A. No. No.
- 20 | O. And why is that?
- 21 | A. They're not trained to look for -- I mean, they're told what
- 22 | to look for, they're not shown what they're looking for. So the
- 23 | main item that they're looking for, a conductor, is two things.
- 24 | Lading that shifted or hanging out of the car or the brakes are
- 25 | not working and they're looking at that through the piston of the

- air cylinder, not at the wheels and the brake shoes. So the piston may be out, but there might not be any brake shoes on the
- $4 \parallel Q$. Right.

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- A. They're not really looking for that, they're just looking for that piston to be out.
 - Q. Right. And in terms of journals and bearings and things --
 - A. Right. Oh, they don't have any clue on that.
- 9 0. Got it.
- 10 A. None. None, whatsoever.
- DR. GARCIA: What type of training do you receive to do this type of inspection?
 - MR. FANNON: The mechanical department has thorough training. They're shown explicitly -- they have a gauge that they can get, out of their vehicle, to measure the bearings, the side bearing clearance, all of the stuff that goes with a bearing inspection along with the brake shoes and everything else. A conductor has none.
 - It doesn't tell them that if you see something here with this wheel, they're mainly focused at the piston travel and the lading or if there's car body damage to a car, like the ladder's gone or the ladder rungs are broken or the cut lever's broken and then they move on. They'll listen for an air leak, I mean, see if a train line's broken.

25 BY DR. JENNER:

- 1 $\|$ Q. Yeah, sorry to revisit this one area --
- 2 A. That's all right, that's all right.
- 3 $\|Q$. -- but -- so what you're telling us, that at industries
- 4 | conductors are responsible for doing this, this type of --
- 5 A. Yes.
- 6 Q. But that's always been the case.
- 7 A. Always.
- 8 Q. But now, in certain locations where carmen don't exist but
- 9 they used to exist, the onus is now on the conductor.
- 10 A. Correct.
- 11 | Q. So how frequently does that happen?
- 12 A. Daily. Daily. Twenty-four hours a day, at these locations
- 13 where they have a very reduced skeleton -- so third shift -- the
- 14 | third shift in Roanoke, Virginia, hypothetically, they cut down
- 15 | until they have one carman on third shift, let's say, one carman,
- 16 and that one carman is busy doing something else and you got
- 17 | Randy Fannon pulls up to take his train out, that carman's busy,
- 18 | that trainmaster still wants me out of there. So my conductor has
- 19 | to go and do the work or we're not leaving.
- 20 | O. So daily --
- 21 | A. Daily.
- 22 $\|Q$. -- a conductor would expect to have to do --
- 23 A. Yes, daily.
- 24 Q. Depending on his routes or --
- 25 A. Depending on the route, what the yards are, where -- when and

1 | if there's a mechanical department that would be doing this work. 2 | Daily.

BY DR. GARCIA:

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- Q. So when a conductor -- does the engineer ever do this inspection or is it only the conductor?
- A. The engineer is only responsible for inspecting his or her locomotives.
- 8 Q. Okay. So when the conductor does this inspection, what 9 happens if something is found?
 - A. They radio to whoever controls the yard. So it could be a yardmaster, it could be the dispatcher that controls the yard, because they went in and eliminated yardmasters, as well, as the -- at a lot of yards, combined the territories. So they used to have yardmasters in Williamson, West Virginia; Portsmouth, Ohio; Bluefield, West Virginia; and Grundy and Norton.

Okay, so they went in and eliminated all the yardmasters and said dispatcher, you give trains permission in and out of the yard, okay, telling them to talk to whoever's in there and the dispatcher has to ride down. Well, Randy Fannon's on the U-44, U-44 is in the yard, all right, U-45 wants to come in or Train 817 wants to come in, "817, you got permission into the yard, talk to the U-44, he's in there working." So before, the yardmaster would be the one that the conductor would report a problem to, now they're having to tell the dispatcher, who then has to call somebody if there is a mechanical person. Right now, out of all

- 1 | these yards, they have one mechanical person in Grundy, Virginia
- 2 and one in Bluefield, and they have to get in a truck and drive an
- 3 | hour and a half or so to go and inspect a car. That's the
- 4 | territory that I just -- was just on.
- $5 \parallel Q$. Okay. Where is the dispatcher located?
- 6 A. Atlanta, Georgia.
- 7 | Q. Okay, so if the conductor finds something on the train while
- 8 | they're doing this short version of the inspection, they call the
- 9 dispatcher in Atlanta, Georgia and report it?
- 10 | A. Yes.
- 11 | Q. And the dispatcher will find a mechanic who travels --
- 12 A. Or tell him to set the car out.
- 13 | Q. And tells him to set the car out. And when they set the car
- 14 | out, does it go to a maintenance shop in the yard or where does it
- 15 | go?
- 16 | A. Well, there's not any -- so if they've eliminated the carmen,
- 17 | there's no maintenance shop there. So the person in the truck,
- 18 | two car mechanical people in a truck will either come and make an
- 19 | attempt to fix the car there or they would come in and inspect it,
- 20 | make it safe to the next destination, and then they'll put it on
- 21 another train to go to a mechanical point to be set out and be
- 22 | repaired.
- 23 $\|Q$. In yards where there is an inspector there and there's a
- 24 | maintenance shop, do you know -- do you ever follow or find out
- 25 | what happens to the car, that it goes --

- A. If there's a shop there, it will go into the shop and be repaired.
 - Q. Okay. Have you ever heard the shop was too busy?
- 4 A. No, you can't. You can't do that. So if there's a mechanized point, that car would have to go in and be repaired
- 6 there.

- 7 MS. GARCIA: Okay.
- 8 DR. JENNER: I don't have any further questions.
- 9 BY DR. GARCIA:
- 10 | Q. Okay, so there's a procedure that a conductor would follow to
- 11 do an inspection or a carman inspector would follow to do the
- 12 | inspection and it's well known within the craft what that
- 13 procedure is --
- 14 | A. Um-hum.
- 15 $\|Q$. -- although some get extensive training on doing it and --
- 16 | A. Um-hum.
- 17 $\|Q$. -- some don't. Would you say that the inspection as designed
- 18 | is exactly how the inspection is done or is there a difference?
- 19 A. If the mechanical department is doing it, it is exactly how
- 20 | it's designed to be done. If a conductor is doing it, I cannot
- 21 | tell you that it is being followed 100 percent because that
- 22 | conductor is not 100 percent trained to do a full inspection of a
- 23 | railcar. It is to quickly look at it, mainly to make sure that
- 24 there's no lading shifted, there's nothing damaged, and that the
- 25 | brake pistons are -- the brake is working. And that's all that

- 1 \parallel conductor's looking for.
- 2 \mathbb{Q} . And to your knowledge, the level of training they receive --
- 3 A. Is very minimal.
- 4 Q. Okay. A different line. So you talked about the level of
- 5 injuries has gone up and you mentioned that there was a year where
- 6 | there were three major incidents with new conductors.
- $7 \mid A. \quad Um-hum.$
- 8 Q. And I know that you and I both went for the investigation of
- 9 the Baltimore Bayview Yard to conduct --
- 10 A. I've been to two fatalities with NS and both of them involved
- 11 | brand-new employees, Petal, Mississippi, and Baltimore Bayview,
- 12 | Maryland. Brand new, one was still a trainee, in Petal,
- 13 Mississippi, and the conductor at Baltimore had just recently been
- 14 marked up. And that is 100 percent a reflection on the training
- 15 program in Norfolk Southern.
- 16 \parallel Q. This might be out of your complete area, but perhaps you've
- 17 | had an interest in looking into this. So we've talked about
- 18 | Norfolk Southern kind of balancing or weighing the difference
- 19 between safety and the investors.
- 20 | A. Um-hum.
- 21 Q. Do you know what goes into the cost that Norfolk Southern
- 22 | takes on when there is an employee injury?
- 23 | A. Well, they have their own claims department and that is a
- 24 | bottom-line number that comes off of their sheer profits if
- 25 | there's an injury and that goes through the Federal Employers

Liability Act, FELA, where they pay that money out and it comes off the bottom line, and that's in the millions of dollars a year -- millions of dollars a year -- to settle these claims in the FELA process and those could be for minor roll your ankles to a fatality.

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- Q. Do you know if there's been any difference in that over the years?
 - A. I don't have those numbers, I wouldn't have access to those unless they publish them, but due to the amount of people that I know that's been injured or seriously injured recently, it's got to be an astronomical -- got to be up higher than it has been in the past. I mean, so with Norfolk Southern, in the numbers that the NTSB has published, you know, the first of eight was a contractor fatality in the maintenance-of-way department in Pennsylvania that got run over by a spiker machine or a maintenance-of-way machine.

I mean, from that point to the fatality in Cleveland at the 1st of March, I mean, those numbers have to be astronomical because you still have the people that lost three fingers, an ankle, a leg, and just a few months ago, I think it was in January or February, a person that had been off furloughed in Kingsport, Tennessee, got called back, been back about 8 or 9 months, had his leg severed below the knee and then ended up having to take it off above the knee. I mean, all of this is happening in a very short time and so their numbers have to be paying out a lot more than

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1	they have in the past due to the seriousness of these incidents.
2	DR. GARCIA: Okay.
3	DR. JENNER: Nothing else for me right now.
4	DR. GARCIA: Okay. Do you want to take a break and then
5	DR. JENNER: Sure.
6	DR. GARCIA: we'll move forward to the next
7	DR. JENNER: We'll go off the record, it's 12:30, and we'll
8	take a break.
9	(Off the record at 12:30 p.m.)
10	

CERTIFICATE

This is to certify that the attached proceeding before the

NATIONAL TRANSPORTATION SAFETY BOARD

IN THE MATTER OF: NORFOLK SOUTHERN TRAIN DERAILMENT

IN EAST PALESTINE, OHIO

ON FEBRUARY 3, 2023

Interview of Randy Fannon

PLACE: Washington D.C.

DATE: May 2, 2023

was held according to the record, and that this is the original, complete, true and accurate transcript which has been transcribed to the best of my skill and ability.

Karen D. Martini Transcriber