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## BUSINESS

# Trustee Probes Companies Tied to Lac-Mégantic Train Derailment

*The Trustee for Montreal Maine & Atlantic Railway Is Seeking Information from Energy Companies*

By SARA RANDAZZO

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A bankruptcy trustee looking to recover money for those affected by a deadly 2013 train derailment has turned his attention to more than a dozen companies that may have played a role in the accident.

In filings made Thursday in U.S. Bankruptcy Court in Bangor, Maine, the trustee for train operator Montreal Maine & Atlantic Railway Ltd. said he is seeking information from energy companies Shell Oil Co., ConocoPhillips, InCorr Energy Group and Enserco Energy Inc. to help him determine whether he can pursue legal action against the companies.

Robert Keach, the trustee, said in an interview Friday that the four filings are "the tip of the iceberg" and that he is speaking with close to 20 companies that either leased tank cars to MM&A or produced the oil being transported. "We have a pretty wide-ranging discovery right now," he said.

In July 2013, an MM&A train carrying crude oil from North Dakota's Bakken region derailed and triggered a series of explosions, leveling parts of a small Quebec town and killing 47 people. The accident has prompted regulators in the U.S. and Canada to call for stricter safety measures surrounding the transport of oil by rail.

In the recent filings, Mr. Keach said he is investigating whether Shell, ConocoPhillips, InCorr and Enserco were among the producers of the Bakken crude oil that the MM&A train was carrying. He also wants to ask them whether they were aware that Bakken crude oil is more volatile than other crude oil and whether they knew the train was "inadequate and unsafe" for transporting the oil.

ConocoPhillips declined to comment Friday. Representatives for Shell, InCorr and Enserco didn't respond to requests for comment Friday.

In January, Mr. Keach sued the owner of the crude oil its train was carrying, World Fuel Services Corp., and several other companies, accusing them of falsely identifying the crude oil as a low danger when in fact it was highly volatile and dangerous.

Had MM&A known of the true dangers of the crude oil, Mr. Keach contends in the lawsuit, the railway wouldn't have let the train sit unattended on a slight descending grade, the point from which the train began its descent into the Quebec town of Lac-Mégantic early on July 6, 2013.

World Fuel Services has denied any wrongdoing and argued it shouldn't be held responsible for an unforeseen accident.

MM&A sought the protection of U.S. and Canadian courts last year after being hit with an avalanche of personal-injury, wrongful-death and environmental claims following the derailment. The move gave the company breathing room from litigation while it works on a plan to pay victims and creditors in both countries.

In January, the bankruptcy court approved the sale of MM&A to an affiliate of Fortress Investment Group LLC.

Now, Mr. Keach said, he is working on recovering as much money as possible to go into a joint settlement to benefit creditors in the U.S. and Canada. So far, the fund has a \$30 million commitment from MM&A's insurers at XL Insurance Co. Ltd., court filings show.

"The idea behind the settlement fund is to get many, many times that amount from the responsible parties," Mr. Keach said.

—Jacqueline Palank contributed to this article

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