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July 21, 2023
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Public Record

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July 21, 2023

Ms. Cynthia Brown, Chief
Section of Administration Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20423

**RE: Docket No. NOR 42178, Navajo Transitional Energy Company, LLC – Ex Parte Petition for
Emergency Service Order**

Dear Ms. Brown,

BNSF respectfully submits the attached data for the week ending July 19, 2023 in accordance with the Board's June 23, 2023 decision in the above-referenced proceeding.

BNSF provides the following information to the Board related to BNSF's service.

Reporting Period

As indicated in previous reports, BNSF defines a week as running from each Thursday to Wednesday of the following week. For this report, the backward-looking data includes traffic moving between Thursday, July 13, 2023, and Wednesday, July 19, 2023 and the forward-looking data includes traffic expected to move between Thursday, July 20, 2023, and Wednesday, July 26, 2023.

Factors Impacting Capacity and Cycle Times

The collapsed Montana Rail Link bridge that BNSF has been reporting on remains out of service and continues to reduce the overall rail network capacity available for BNSF's transportation of export coal and other commodities as both loaded and empty trains must follow detour routes. As discussed last week, in an effort to minimize impacts to our customers, including NTEC, we have added locomotives to our existing fleet in the Northern Region and were able to reach an agreement with MRL and the Brotherhood of Locomotive Engineers and Trainmen (BLET) that allows MRL crews to temporarily operate detoured BNSF trains. Despite these efforts, BNSF continues to experience increased average cycle times for both empty and loaded coal sets moving over the detour route compared to the period before the bridge collapsed. BNSF understands that traffic will begin to traverse the new bridge constructed on the MRL this weekend. Customers that have shipments designated to move through the area may still see some nonstandard routings, locations and interchanges as some reroutes will continue to be utilized to maintain network fluidity. We will keep NTEC and the Board updated on ongoing impacts as traffic begins to normalize in the coming weeks.

Last week, BNSF reported that Westshore had reduced slot capacity available to BNSF due to (1) an increased volume of high moisture metallurgical coal being transported to Westshore by CN and CPKC as a result of strikes at other Canadian ports; and (2) high moisture coal causing clogging issues with the unloading chutes at Westshore. The union and involved Ports reached a tentative deal on July 13, 2023, but that deal was later rejected by the union. BNSF continues to monitor the situation as it remains uncertain whether any additional strikes will occur. BNSF has lost nine (9) unloading slots at Westshore during the month of July as a result of the strike and continues to see residual impacts reflected in export cycle times.

On a final note, on July 16, 2023, a fire started at Spring Creek Mine that damaged the main conveyor belt that is used to load coal into BNSF trains. NTEC's most recent estimate is that the mine will be in an outage until the afternoon of July 21, 2023. Until the mine resumes operating no BNSF trains – domestic or export – can be loaded or shipped. BNSF has diverted eleven (11) trains from Spring Creek Mine due to the outage, four (4) of which were trains headed to Spring Creek Mine for export service. An additional three (3) trains – one in export service – experienced loading delays due to the outage.

The negative capacity impacts referenced herein have increased cycle times and impacted the volume of coal BNSF is able to move to Westshore. Last week BNSF projected 7 NTEC export coal trains leaving Spring Creek Mine between July 13, 2023 and July 19, 2023; BNSF's actual traffic level for this period was 3 NTEC export coal trains.

July 15, 2023 Rate Increase

As BNSF and NTEC both previously reported, BNSF notified NTEC that it would be making a quarterly adjustment to NTEC's transportation rate for traffic moving from Spring Creek Mine to Westshore Terminals effective July 15, 2023 based on the All-Inclusive Index Less Fuel ("All-LF") index. BNSF notified NTEC on July 14, 2023 that BNSF's published rate effective April 15, 2023 will instead remain in place until further notice.

Sincerely,



Jill Rugema
General Attorney

Attachment

CERTIFICATE OF SERVICE

I certify that on July 21, 2023, I served copies of this document upon all parties of record in this proceeding.



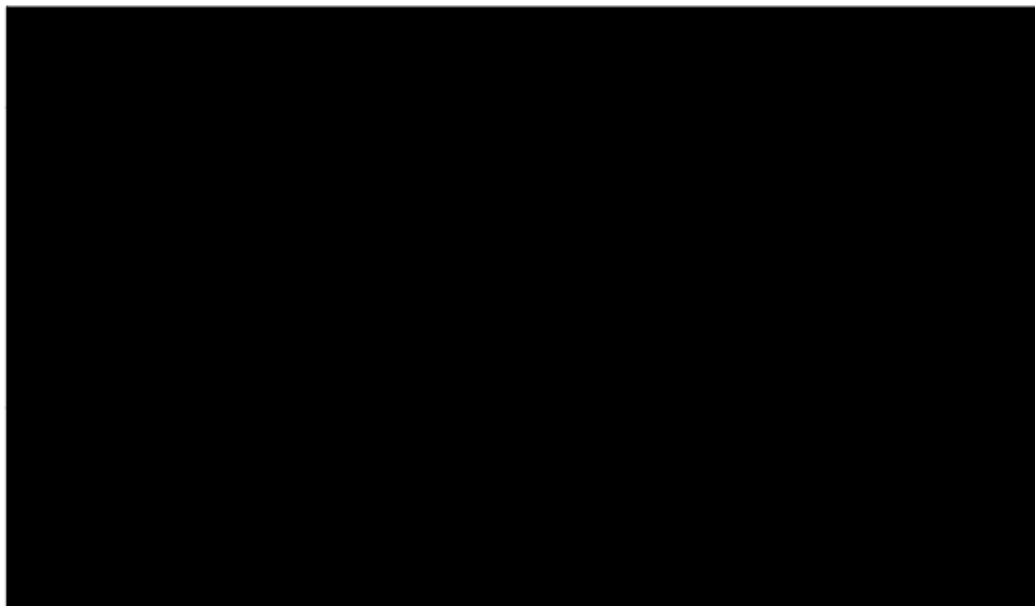
Jill Rugema



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NTEC *Ex Parte* Pet. For Emergency Svc. Order (NOR 42178)

Reporting Period: 7/13/2023 through 7/19/2023



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NTEC Trains from Spring Creek Mine to Westshore Terminals July 13, 2023 through July 19, 2023



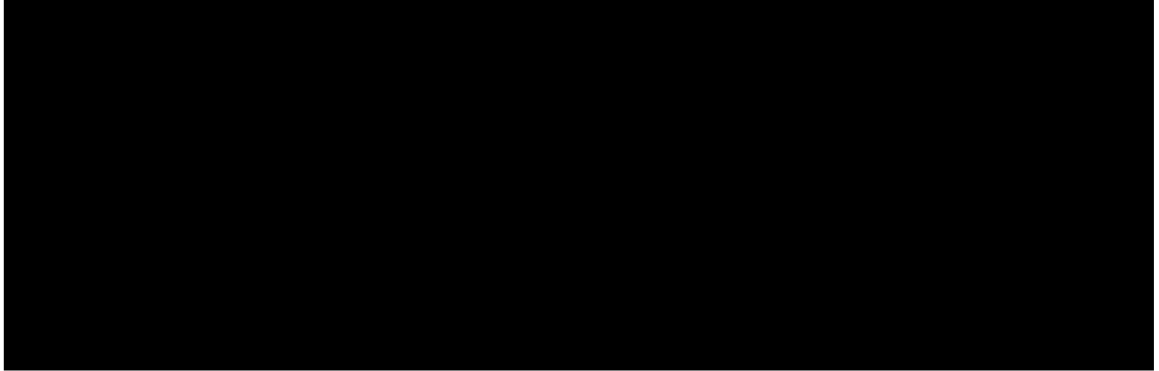
REDACTED - TO BE PLACED ON PUBLIC FILE

Other NTEC Traffic Originating at Spring Creek Mine July 13, 2023 through July 19, 2023



REDACTED - TO BE PLACED ON PUBLIC FILE

Non-NTEC Export Coal Traffic Moving to Westshore July 13, 2023 through July 19, 2023



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Daily Trainsets Deployed from Spring Creek Mine July 13, 2023 through July 19, 2023

