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August 11, 2023

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

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Office of Proceedings
August 11, 2023
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Public Record

RE: Docket No. EP 770 (Sub No. 1), Urgent Issues in Freight Rail Service

Dear Ms. Brown:

Pursuant to the Board's May 6 and October 28 decisions in the above-referenced proceeding, BNSF respectfully submits this update on the status of our service recovery plan filed on May 20, 2022, as modified in accordance with the Board's June 16, 2022 decision. The data in this report reflects BNSF's service performance during the week ending August 5. Last week BNSF achieved target for five of our twelve KPIs and was within 5% of target for four of the remaining KPIs. Our network was challenged last week by an elevated number of weather-related service interruptions and slow orders, including multiple flash flood warnings on our Chicago Division and both extreme heat and high winds across both the Northern and Southern Regions.

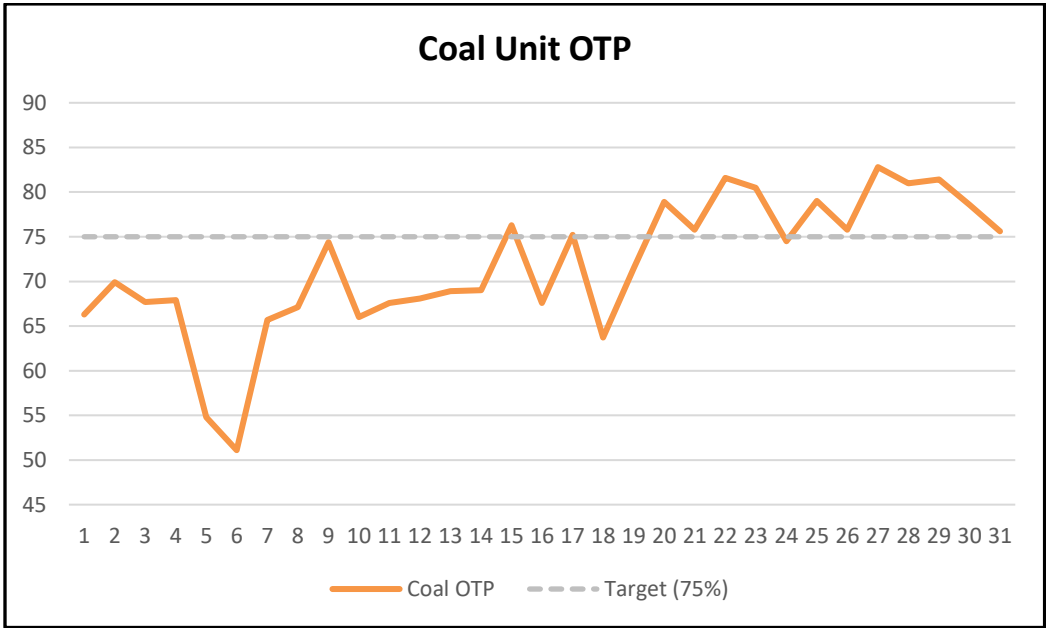
The following chart reflects our performance against our KPIs over the past eight weeks:

	24	25	26	27	28	29	30	31	8 Week Avg
Train Speed	103%	101%	101%	104%	104%	100%	100%	99%	101%
Dwell	99%	98%	96%	95%	111%	98%	96%	99%	99%
Trains Holding	140%	145%	137%	131%	155%	145%	126%	128%	138%
Local Service	98%	99%	100%	98%	99%	100%	100%	99%	99%
Overall OTP	109%	112%	112%	114%	118%	113%	111%	109%	112%
Intermodal OTP	109%	111%	114%	109%	117%	112%	111%	110%	112%
Coal OTP	99%	105%	101%	110%	108%	109%	105%	101%	105%
Merch OTP	102%	103%	103%	109%	113%	105%	102%	99%	104%
Grain OTP	106%	103%	112%	102%	118%	99%	101%	88%	104%
Crude OTP	82%	79%	74%	93%	92%	80%	80%	81%	83%
Auto OTP	110%	108%	112%	114%	112%	113%	113%	105%	111%
Ethanol OTP	70%	79%	70%	105%	94%	72%	56%	81%	79%

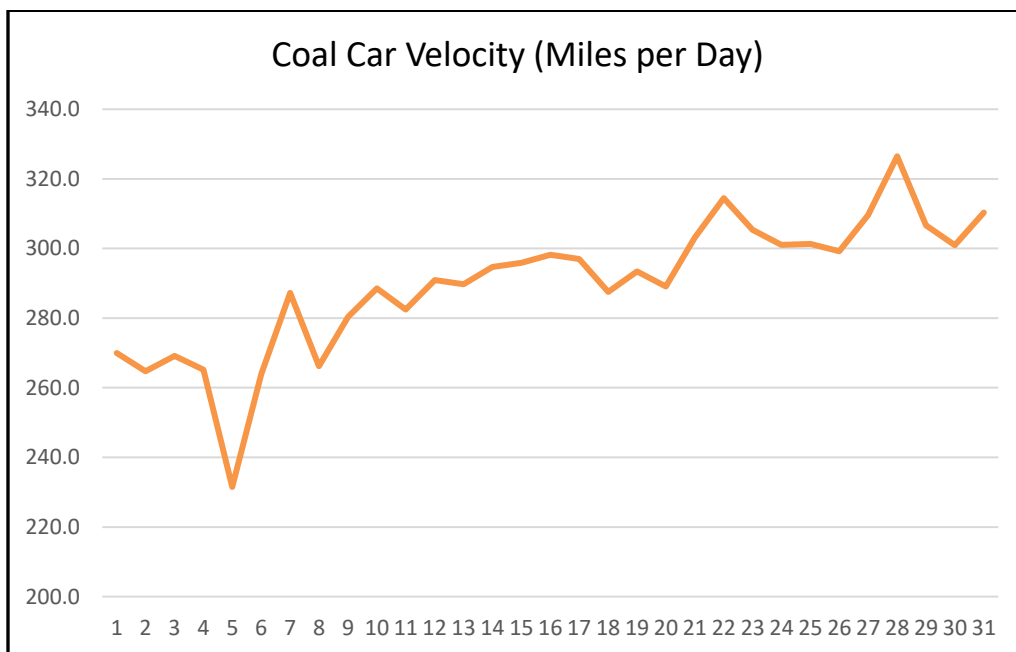
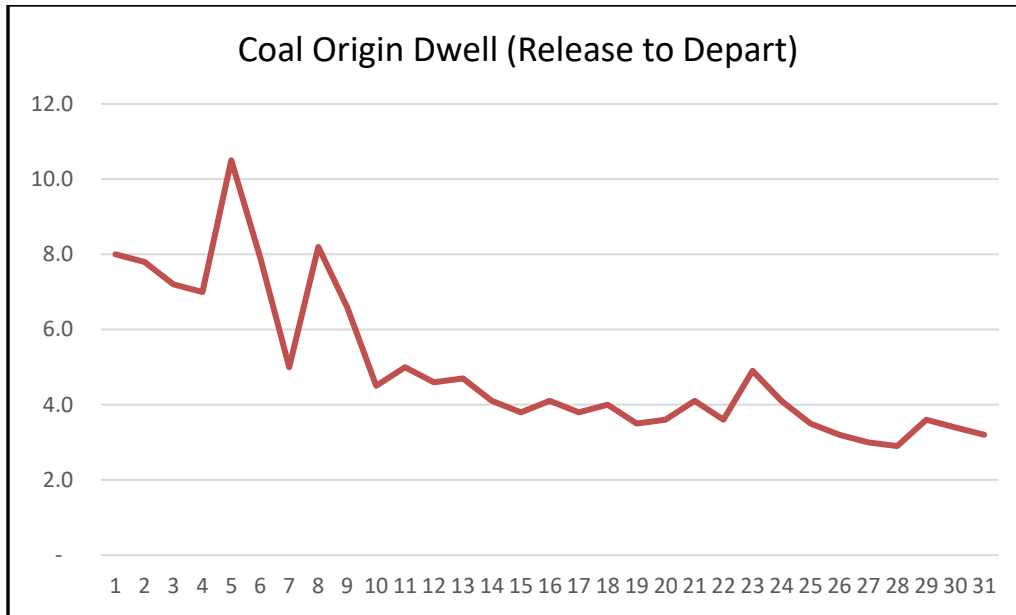
BNSF’s Coal Network

As we have entered peak energy demand at the hottest time of the year, we wanted to provide an update on BNSF’s service to our coal customers. BNSF moves more coal than any other railroad in the U.S. and accounts for over 75% of the coal transported from the Powder River Basin, the largest coal producing region in the country. More than 93% of the coal BNSF transports is burned domestically and supplies power generation in 24 states across the United States.

Ratable service is a key goal of our coal plan, which in turn is most achievable when demand is ratable. Structural changes in the energy markets over the past decade have challenged all stakeholders and introduced levels of demand variability that make resource planning increasingly difficult. Even so, our coal service has improved considerably in 2023 as a result of our service recovery efforts. As reflected in the chart below, on-time performance for our coal network has improved steadily since the beginning of 2023 and has been on target for 11 of the past 12 weeks.



This improvement in our coal on-time performance has been driven by sustained improvements in our underlying coal performance metrics. As shown in the following two charts, coal train dwell at origin has averaged less than five hours for the last four consecutive months, and coal train velocity has steadily improved throughout 2023 as well.



These improvements, in particular the reduction in origin dwell times, can be attributed to the hard work and innovation of the Transportation team in our Powder River Division. A number of terminals in Wyoming and Western Nebraska have faced crew deficits over the past year with hiring proving difficult given the relatively sparse population density in the area. Despite this challenge, we have hired 233 conductor trainees on the Powder River division year to date, graduated 174 (some of whom were hired in 2022 but have graduated training in 2023) and there are currently 101 transportation employees in the training pipeline across the division who will graduate over the next four months, which will improve crew deficits at the affected terminals.

Beyond our hiring efforts and reaching paid sick leave agreements with 11 of our 12 unions, BNSF has worked with the organizations representing our craft employees locally to implement changes across the network to improve crew scheduling at key terminals, including an innovative pilot in our coal fields. Our Gillette, Wyoming terminal recently implemented a scheduled turnaround crew pool that provides a base of assigned daily crews to pull loaded coal trains from mines served by the terminal to hand the trains off to road crews for the line-haul move. This pilot agreement has helped improve first-mile service and cut down dwell time at origin while providing more predictable work schedules for the employees involved. The Gillette turnaround pool is a good example of how our scheduled workforce is working to deliver on our commitment to our customers at the local level.

Further innovations are on the horizon to improve our coal network performance. BNSF currently has a petition pending with the Federal Railroad Administration to expand our successful Brake Health Effectiveness ("BHE") program to portions of our coal network. This program, which was first implemented in 2019 on our Southern Transcon corridor, leverages wayside detector technology to identify potentially defective brakes through analysis of wheel temperatures, which identifies cars for single car brake tests at origin/destination terminals and reduces unnecessary intermediate brake tests. Expansion of the waiver to the coal network, which is supported by the unions representing our carmen and train crew employees, should produce improved velocity and lower cycle times that allow our customers to receive more tonnage with fewer train sets, thereby further improving fluidity and velocity for all traffic sharing these corridors of our network.

Montana Rail Link Bridge Update

Since we filed our last bi-weekly report in this proceeding, the Montana Rail Link completed construction of a new bridge to replace the bridge near Reed Point, Montana that collapsed on June 24, 2023. The bridge collapse had required BNSF to reroute significant volumes of shipments to minimize service impacts to our customers. While the bridge is now fully open, BNSF customers that had shipments designated to move through that part of our network may still see some non-standard routings as we will continue to use some of those reroutes to maintain broader network fluidity. We anticipate those routings to normalize in the next few weeks.

Sincerely,



Adam Weiskittel
AVP & Associate General Counsel, Operations

CC: Mr. Michael Higgins, Office of Public Assistance, Government Affairs, and Compliance



BNSF Service Recovery Plan

Key Performance Indicators

	Baseline (March 4, 2022)	Current ¹	Progress Against Baseline	Target
Overall Velocity	24.4 mph	25.7 mph	+5.3% 	26 mph
Terminal Dwell	28.8 hrs	25.7 hrs	-10.8% 	25.5 hrs
Local Service Performance	87.6%	90.4%	+3.2% 	91%
Overall On Time Performance	62.4%	76.2%	+22.1% 	70%
Average Trains Holding	147.3	68.8	-53.3% 	95

¹ The data in this column reflects the data BNSF reported on August 9, which reflects performance in the week ending August 4.



BNSF Service Recovery Plan

Key Performance Indicators

	Baseline	Current	Progress Against Baseline	Target
Intermodal	66.9%	82.6%	+15.7pp 	75%
Coal Unit	66.6%	75.6%	+9.0pp 	75%
Merchandise	46.9%	64.5%	+17.6pp 	65%
Grain Unit	62.7%	66.3%	+3.6pp 	75%
Crude Unit	46.1%	57.0%	+10.9pp 	70%
Auto Unit	52.0%	73.8%	+21.8pp 	70%
Ethanol Unit	18.0%	40.3%	+22.3pp 	50%