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November 3, 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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Public Record

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

Dear Ms. Brown:

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 October 27. Last week, BNSF achieved target for seven of our twelve KPIs with an additional two KPIs being at least 95% of target. The following chart reflects our performance against our KPI targets over the past eight weeks:

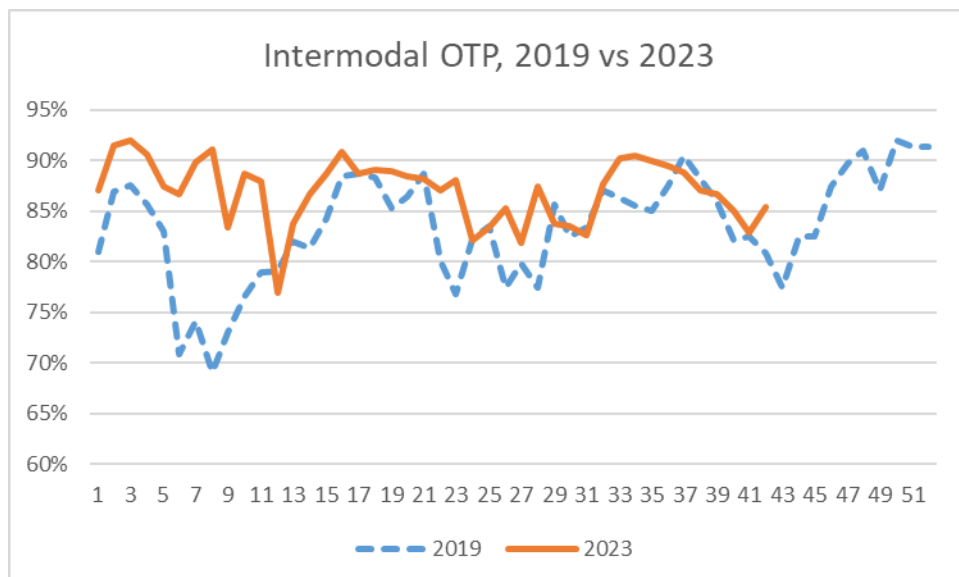
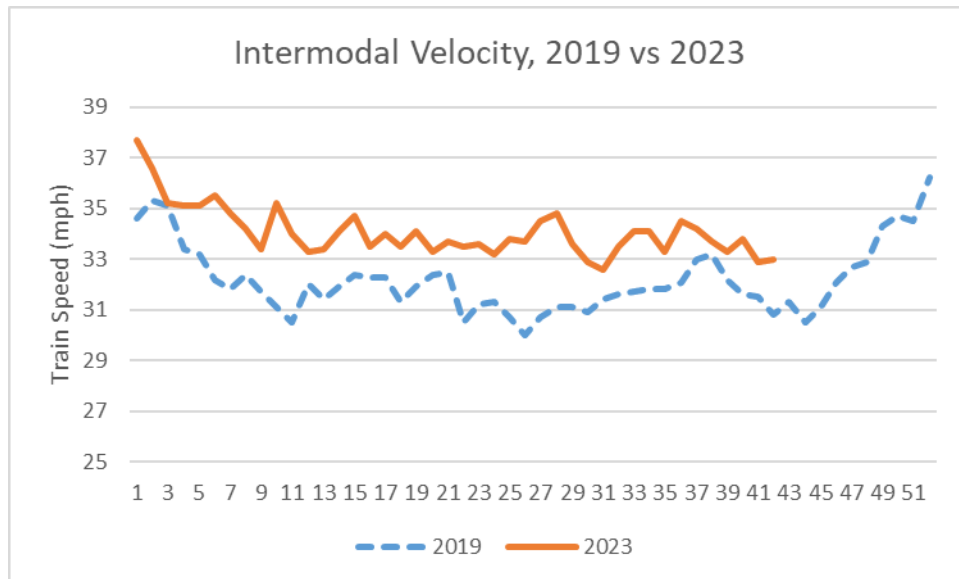
	36	37	38	39	40	41	42	43	8 Week Avg
Train Speed	103%	101%	103%	102%	102%	100%	100%	98%	101%
Dwell	105%	104%	104%	104%	103%	102%	102%	100%	103%
Trains Holding	142%	153%	146%	147%	139%	124%	115%	123%	136%
Local Service	102%	101%	101%	102%	102%	102%	101%	101%	102%
Overall OTP	120%	120%	117%	115%	111%	110%	109%	107%	114%
Intermodal OTP	119%	118%	116%	116%	113%	111%	114%	109%	115%
Coal OTP	104%	109%	110%	107%	102%	106%	93%	96%	103%
Merch OTP	116%	120%	111%	108%	107%	108%	107%	104%	110%
Grain OTP	116%	108%	104%	91%	75%	62%	52%	72%	85%
Crude OTP	106%	95%	91%	87%	78%	86%	78%	78%	87%
Auto OTP	124%	121%	116%	109%	108%	115%	107%	94%	112%
Ethanol OTP	102%	101%	109%	97%	74%	108%	86%	103%	98%

Intermodal Peak Season on BNSF

The holiday season marks the beginning of intermodal peak season at BNSF. As the largest intermodal carrier in North America, BNSF is a key link in the supply chain for retailers and a partner to parcel and less than truckload shippers getting goods and packages where they are needed in time for the holidays.

At BNSF, intermodal is our largest business segment—to put that in context, our intermodal network accounts for about half the volume on our railroad and we handle about one million more intermodal units than our next closest competitor. We continue our longtime strategic focus on growing this business by competing aggressively to bring traffic off the highway and on to BNSF’s network.

Preparing for intermodal peak season is a key component of our operational planning throughout the year. BNSF’s intermodal service is running well ahead of this year’s peak season, with intermodal velocity and on-time performance having returned to pre-pandemic levels.



Beginning last month, BNSF leaders began pre-peak planning visits at our largest intermodal facilities to review location-specific adjustments and operating plans, as well as to meet with our operating employees

to discuss the upcoming peak season. As peak season commences, BNSF will add over 70 additional train starts to our intermodal schedule, and throughout the season, our teams hold multiple daily touchpoints with our largest intermodal customers to ensure visibility and alignment around their needs. Additionally, BNSF is taking actions to ensure we have the rolling stock to support peak volumes, including bringing additional well cars out of storage to support this traffic.

Achieving consistent intermodal growth is a major goal of our long-term planning as well. Our busiest intermodal corridor is our Southern Transcon running from Los Angeles to Chicago, and BNSF has made major investments to expand capacity and support growth on this route. In 2023, BNSF progressed multi-year track expansion projects in two locations on the Southern Transcon, increasing the triple-tracked portion of our Needles Subdivision in California by 30 miles to date and increasing the double-tracked portion of our Emporia Subdivision in Kansas by 46 miles to date.



The first BNSF train traversing the newest triple-track section of the Needles Subdivision in September.

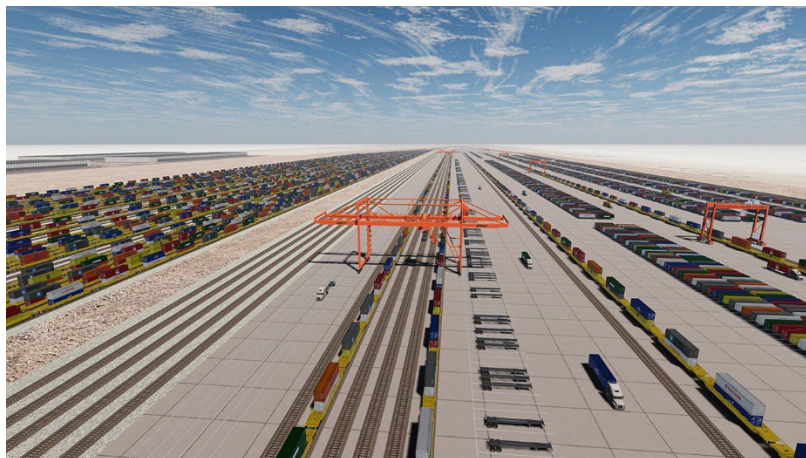
BNSF is also making substantial investments in our intermodal hubs. Most notably, preliminary design and land acquisition has commenced for BNSF's \$1.5 billion investment to construct the Barstow Intermodal Gateway (BIG), a 4,500-acre integrated rail facility in Barstow, California. BIG will consist of a rail yard, intermodal facility, and warehouses for transloading freight from international shipping containers to domestic containers. This facility is 100% privately funded and will create 20,000 direct and indirect jobs in Southern California.



BIG will be an independent facility and will not replace our existing Barstow Yard, which will continue to serve as an important node in our network.

Currently, international shipments bound for U.S. markets are unloaded from ships at the Ports of Los Angeles and Long Beach and are drayed from the ports to transloading facilities throughout the Los Angeles basin and the Inland Empire where the freight is loaded into domestic containers or trailers. Shipments are then drayed to an existing intermodal facility or over-the-road to further points inland. Alternatively, international containers are loaded onto rail for short-haul moves to a local intermodal facility from where the same dray move to a transloader originates. Either process entails additional handlings and thousands of miles of highway travel through densely populated communities in Southern California each year.

Once completed, BIG will allow the direct transfer of containers from ships to trains for movement to Barstow, where clean energy-powered cranes and yard trucks will convey international shipments to collocated warehouses for processing and ultimately back to the rail yard to be loaded onto trains for transport across our network. This facility will substantially reduce port and highway congestion while maximizing the efficiencies possible through rail transportation.



Conceptual rendering of Barstow Intermodal Gateway

In addition to BIG, BNSF is investing in multi-year expansion projects at our intermodal hubs in Cicero, Illinois, San Bernardino, California, and Stockton, California to support growing intermodal volumes. Along with these physical plant investments, BNSF is investing in new technologies and processes to optimize the operation of our facilities. For example, BNSF has developed a load plan optimization process that leverages artificial intelligence to plan the staging of containers in our facilities to minimize loading times. This has resulted in a 20-mile reduction of hostler travel per train loading. Each investment we make and efficiency we gain translates to a faster, more fluid intermodal network that benefits our intermodal shippers, their customers, and consumers across North America.

Update on Unit Service

In our last biweekly report, we reported on the temporary dip in our grain unit on-time performance, which is an acute expression of a normal seasonal variation due to the rapid addition of trains for harvest season. In this most recent report, our grain on-time performance showed strong week over week improvement and we are focused on continuing that trend for grain as well as our other unit train offerings.¹ While we believe there are better metrics than on-time performance for understanding unit train service, BNSF understands and appreciates the visibility these metrics have in this proceeding and the importance of informing the Board of the context surrounding movement in these metrics.

As we explained in our September 22, 2023 biweekly update, our network in the Pacific Northwest from Spokane to the Washington coast is our prime corridor for grain during Fall Harvest. That part of our network is also an important corridor in our coal network as well as our highest density crude corridor. This corridor includes the 230-mile Fallbridge Subdivision, which runs from Pasco, Washington to Vancouver, Washington and is single-tracked for much of its length due to space limitations in the Columbia River Gorge. On a daily basis, BNSF is maximizing our available capacity to support the diverse and variable customer demand, and as a result, we currently have more trains per day transiting the Fallbridge Sub than at any other point this year.

Several events on our network have created temporary headwinds for our unit train service. Our grain performance continues to be affected by fluidity issues at the U.S.-Mexico border crossings in El Paso and Eagle Pass, Texas, which has comprised a headwind to southbound shuttle turns. Additionally, the derailment in Pueblo, Colorado on October 15 and a 48-hour service interruption on our Ravenna Subdivision October 17–19 affected the fluidity of our coal network. As always, BNSF is taking a number of actions to mitigate the effects of these events and maximize our available capacity. Our service design team is engaged with customers to route trains into the PNW in a manner that best utilizes our available track capacity and other resources, including maximizing the number of grain cars included in each train movement. Additionally, we are using available opportunities to route trains around constrained terminals near Seattle and Tacoma to maximize deliveries to export terminals.

¹ We observe that ethanol on-time performance had a similar strong improvement from the prior week, but as BNSF has noted before in this proceeding, our ethanol unit service operates very differently from our other unit train services from a service design perspective, making on-time performance an especially inapt measure for evaluating service performance in this instance. See Interim Report of BNSF Railway Company, *Urgent Issues in Freight Rail Service—Railroad Reporting*, Ex Parte No. 770 (sub. 1), at 3–4 (Dec. 2, 2022).

These efforts, along with the extensive preparations BNSF has made for harvest season and winter weather,² reflect our commitment to meet all of our customers' needs as harvest season proceeds and intermodal peak season approaches. We remain well positioned to flex in response to temporary events, and preserve our return to pre-pandemic performance and build on that long-term.

Sincerely,



Adam Weiskittel
AVP & Associate General Counsel, Operations

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

² See Status Report of BNSF Railway Company, *Urgent Issues in Rail Service — Railroad Reporting*, Ex Parte No. 770 (Sub. 1) (Sept. 22, 2023); Status Report of BNSF Railway Company, *Urgent Issues in Rail Service — Railroad Reporting*, Ex Parte No. 770 (Sub. 1) (Aug. 25, 2023).



BNSF Service Recovery Plan

Key Performance Indicators

	Baseline (March 4, 2022)	Current ¹	Progress Against Baseline	Target
Overall Velocity	24.4 mph	25.5 mph	+4.5% 	26 mph
Terminal Dwell	28.8 hrs	25.4 hrs	-11.8% 	25.5 hrs
Local Service Performance	87.6%	92.2%	+5.3% 	91%
Overall On Time Performance	62.4%	75.0%	+20.2% 	70%
Average Trains Holding	147.3	72.9	-50.5% 	95

¹ The data in this column reflects the data BNSF reported on November 1, which reflects performance in the week ending October 27.



BNSF Service Recovery Plan

Key Performance Indicators

	Baseline	Current	Progress Against Baseline	Target
Intermodal	66.9%	81.9%	+15.0pp 	75%
Coal Unit	66.6%	71.7%	+5.1pp 	75%
Merchandise	46.9%	67.8%	+20.9pp 	65%
Grain Unit	62.7%	53.9%	-8.8pp 	75%
Crude Unit	46.1%	54.6%	+8.5pp 	70%
Auto Unit	52.0%	65.8%	+13.8pp 	70%
Ethanol Unit	18.0%	51.6%	+33.6pp 	50%

TYE Unavailability and Cause

	10/15/..	10/16/..	10/17/..	10/18/..	10/19/..	10/20/..	10/21/..	10/22/..	10/23/..	10/24/..	10/25/..	10/26/..	10/27/..	10/28/..
Availability	63.3%	69.1%	71.5%	73.0%	72.7%	68.6%	60.8%	61.5%	70.3%	73.6%	74.6%	74.4%	69.4%	61.5%
Agreement	376	512	501	404	376	389	407	380	493	465	407	380	413	442
Absences	644	667	666	658	751	840	784	785	614	544	557	592	726	739
Company Business	63	80	103	105	78	34	18	15	55	79	91	76	49	17
FMLA/Medical Leave	291	297	243	228	225	273	338	336	262	190	193	219	264	304
Furloughed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	72	47	29	27	26	34	37	40	33	22	22	26	29	24
Training	11	33	67	59	42	8	0	10	39	64	59	42	8	1
Vacation/Paid Leave	1,209	1,034	927	959	1,042	1,162	1,245	1,192	1,073	951	954	1,011	1,182	1,270