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December 1, 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 November 24, which includes the Thanksgiving holiday that can traditionally create staffing challenges as BNSF team members spend vacation time with their families. BNSF nonetheless achieved target for eight 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:

	40	41	42	43	44	45	46	47	8 Week Avg
Train Speed	102%	100%	100%	98%	98%	101%	100%	103%	100%
Dwell	103%	102%	102%	100%	100%	103%	104%	99%	102%
Trains Holding	139%	124%	115%	123%	125%	147%	144%	140%	132%
Local Service	102%	102%	101%	101%	101%	102%	102%	101%	102%
Overall OTP	111%	110%	109%	107%	105%	109%	111%	111%	109%
Intermodal OTP	113%	111%	114%	109%	107%	109%	112%	113%	111%
Coal OTP	102%	106%	93%	96%	98%	107%	105%	97%	101%
Merch OTP	107%	108%	107%	104%	103%	103%	106%	108%	106%
Grain OTP	75%	62%	52%	72%	70%	85%	85%	84%	73%
Crude OTP	78%	86%	78%	78%	84%	73%	84%	78%	80%
Auto OTP	108%	115%	107%	94%	95%	94%	100%	107%	103%
Ethanol OTP	74%	108%	86%	103%	103%	95%	83%	120%	97%

This week also marks one year since BNSF filed our December 2, 2022 Interim Update in this proceeding.¹ Accordingly, we wanted to provide the Board a high-level update on our performance relative to this period last year. As we indicated in our Interim Update, BNSF’s service levels at this time last year reflected a network that had largely returned to pre-pandemic levels² and our goal going forward was to maintain that performance and drive further improvement.³ Looking back at the past year, we are pleased that our efforts to hold and improve upon that service recovery have been successful. Comparing the past eight weeks to the corresponding period in 2022, the charts below show that BNSF has achieved improved performance in each KPI except for train speed, which has effectively maintained a comparable, on-target level.

AVERAGE KPI PERFORMANCE, WEEKS 40–47, 2022 VS. 2023



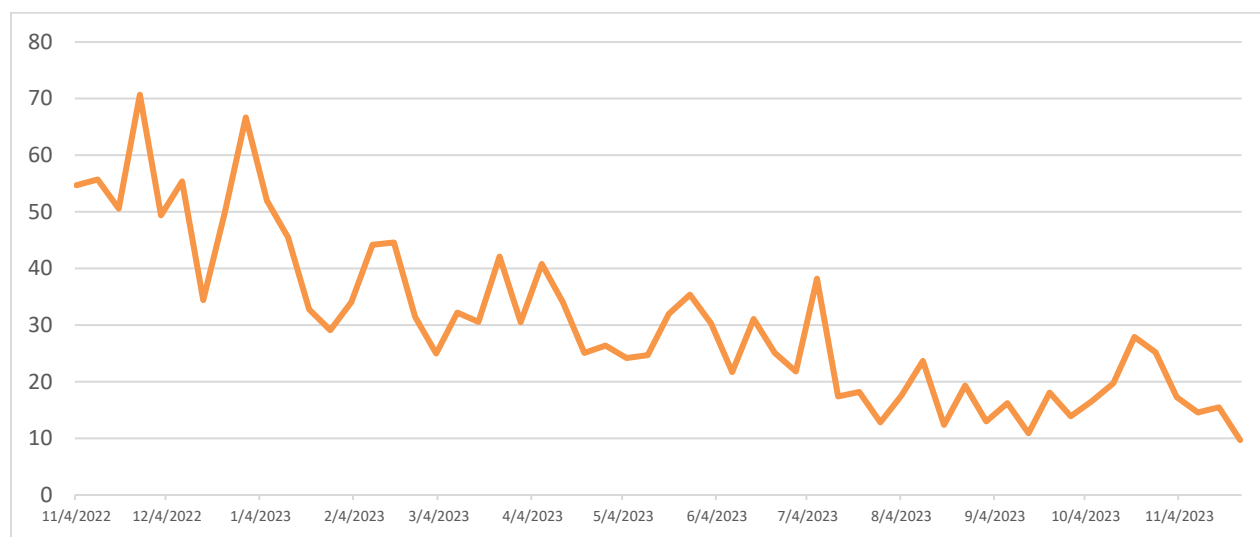
¹ Interim Update of BNSF Railway Company, *Urgent Issues in Freight Rail Service—Railroad Reporting*, Ex Parte 770 (Sub No. 1) (Dec. 2, 2022).

² *Id.* at 2.

³ *Id.* at 7 (“Generally speaking, these targets reflect a priority on achieving the consistent service that our customers expect where there has thus far been more variability, and aspiring to achieve incremental improvement in areas where our momentum has been relatively stronger.”).

BNSF has achieved this ongoing service improvement largely by executing the service recovery plan we presented to the Board in June 2022, which focused on three key components: ensuring adequate power, ensuring adequate crews, and working with our customers to avoid unproductive railcar inventory. With respect to headcount in particular, BNSF has largely been at or above target against the goals contained in our Interim Report for most of 2023, including reaching our TY&E target last month.⁴ A direct indicator of the success of our crew hiring and retention efforts can be seen in our trains holding data. As the chart below indicates, BNSF has accomplished a substantial reduction in the instances of trains holding for crews over the past year.

TRAINS HOLDING FOR CREW, NOVEMBER 2022 – PRESENT



Harvest season provides an example of how our ongoing focus on staffing has improved service and benefitted our customers. As we have discussed previously, the dramatic short-term increase in train starts at the outset of harvest season poses unique capacity challenges, including maintaining sufficient crew bases and locomotive capacity to serve our grain network as well as our other customers utilizing those same territories. Harvest season got off to a late start this year due to rains that affected producers, which compressed the start of loading season and resulted in a sharper ramp up of volumes than usual. For instance, at the start of harvest in late September, BNSF had to hold 20 trains for an average of nearly four days as our customers could not load due to not yet having grain. This group of delayed trains then had to traverse our grain network alongside on-schedule traffic, exacerbating the congestion that is inherent to harvest season. Ultimately this volume surge temporarily affected our Grain On-Time Performance.

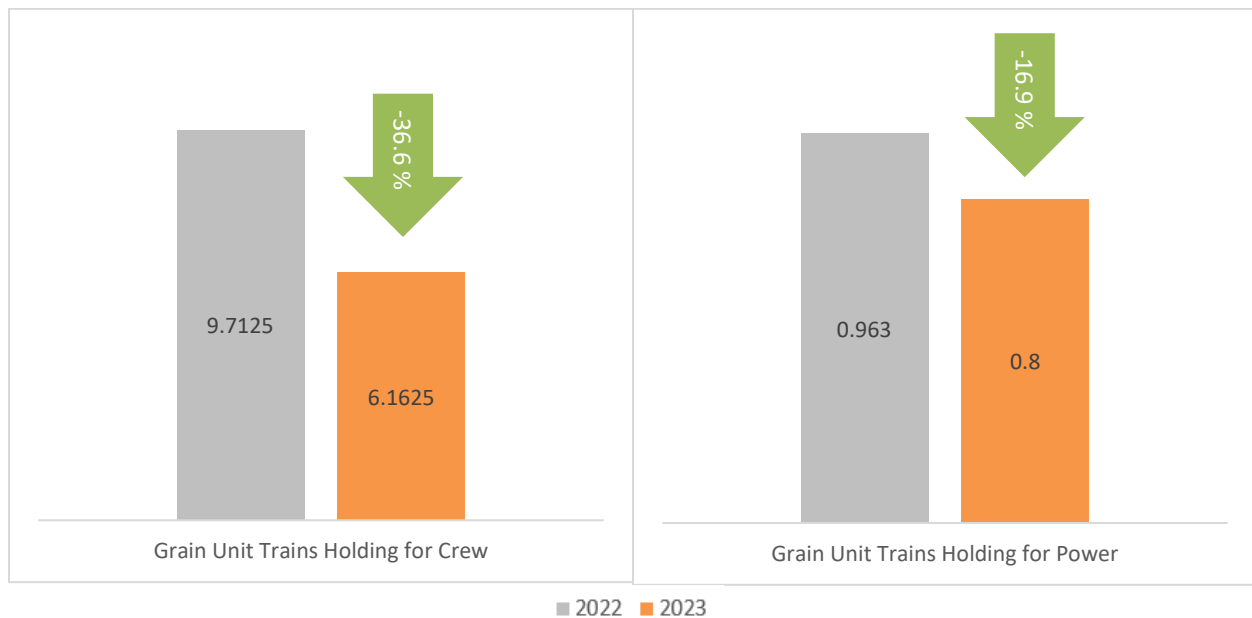
Earlier this year, BNSF detailed for the Board the steps we were taking to prepare for harvest season, which included ensuring having sufficient crews and locomotive power at key terminals to serve anticipated harvest volumes.⁵ Those measures included increasing our train crew and mechanical workforce to ensure

⁴ See Status Report of BNSF Railway Company, *Urgent Issues in Freight Rail Service—Railroad Reporting*, Ex Parte 770 (Sub No. 1) (Nov. 15, 2023).

⁵ See Status Report of BNSF Railway Company, *Urgent Issues in Freight Rail Service—Railroad Reporting*, Ex Parte 770 (Sub No. 1) (Sept. 22, 2023).

we had the people we need to operate trains and keep equipment in working order, adding high horsepower A/C locomotives to our fleet, and prepositioning surge locomotive capacity at key terminals on the grain network.⁶ Additive to those efforts, we pulled forward our 2024 hiring plan for the Pacific Northwest into 2023 to further strengthen our crew base on this key portion of our grain network. Because of BNSF’s hiring efforts over the past year—efforts we continued even as volumes began to decline—BNSF was able to draw on over-resourced crew bases elsewhere on our network to incent over 50 voluntary temporary transfers to terminals along our grain network. By executing on the measures we outlined to the Board, we achieved improved crew and power deficit performance compared to harvest 2022, as demonstrated on the following chart.

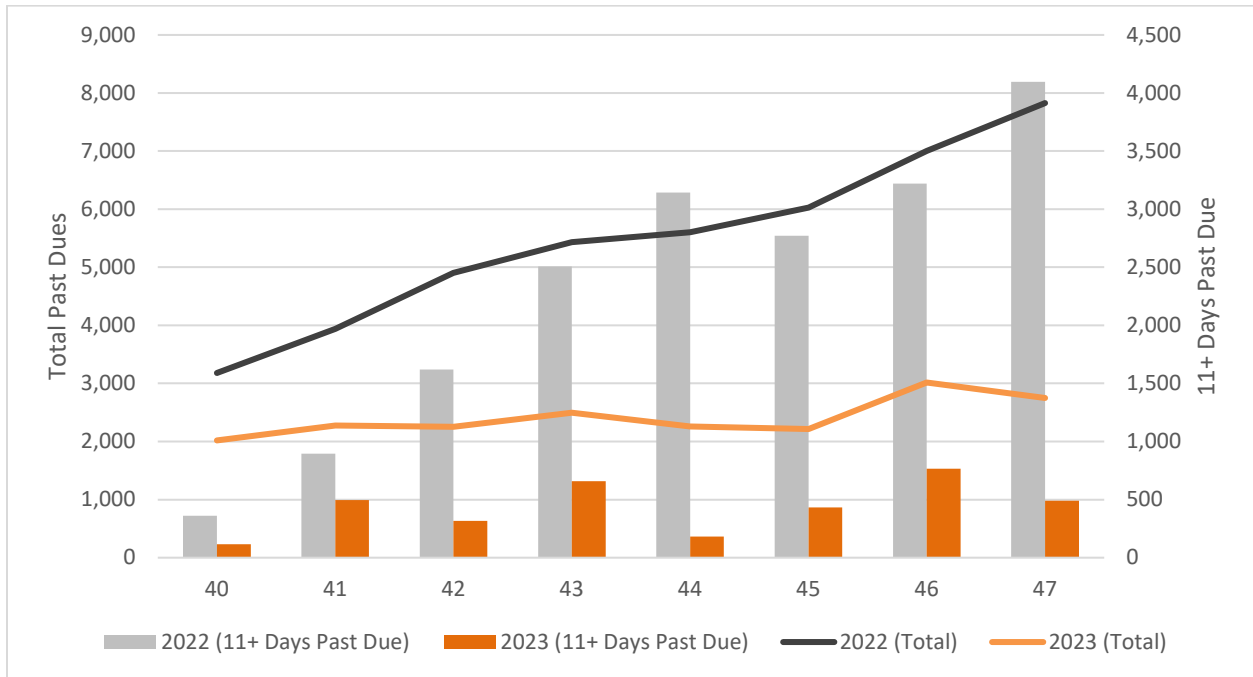
AVERAGE GRAIN UNIT TRAINS HOLDING FOR CREW AND POWER, WEEKS 40-47, 2022 VS 2023



While our Grain OTP metric does remain below target at the moment, it is important to note that the binary Grain OTP metric does not capture the severity of any misses against trip plans. A comparison of past due grain cars shows that BNSF has substantially improved car cycle times relative to last year and indicates that our adherence to trip plan is significantly better than the OTP metric may otherwise suggest. Furthermore, grain velocity and grain release-to-departure time have steadily improved throughout harvest, demonstrating the resiliency of our network and our commitment to execute on those aspects of our service that are within our control.

⁶ *Id.* at 4.

GRAIN PAST DUES, WEEKS 40-47, 2022 VS 2023



Our ultimate service goal is and always has been to provide service levels that meet our customers' expectations and enable them to succeed and grow in partnership with BNSF. We believe that our performance over the past year demonstrates our commitment to those goals and our expectation is to demonstrate continuous improvement going forward. We are proud of the hard work of everyone on the BNSF team to accomplish the goals we set out in our Interim Report last December and we look forward to continuing to earn our customers' business in 2024.

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	26.8 mph	+9.8% ↑	26 mph
Terminal Dwell	28.8 hrs	25.8 hrs	-10.4% ↓	25.5 hrs
Local Service Performance	87.6%	92.2%	+5.3% ↑	91%
Overall On Time Performance	62.4%	78.0%	+25.0% ↑	70%
Average Trains Holding	147.3	56.8	-61.4% ↓	95

¹ The data in this column reflects the data BNSF reported on November 29, which reflects performance in the week ending November 24.



BNSF Service Recovery Plan

Key Performance Indicators

	Baseline	Current	Progress Against Baseline	Target
Intermodal	66.9%	85.0%	+18.1pp 	75%
Coal Unit	66.6%	72.9%	+6.3pp 	75%
Merchandise	46.9%	70.5%	+23.6pp 	65%
Grain Unit	62.7%	62.9%	+.2pp 	75%
Crude Unit	46.1%	54.5%	+8.4pp 	70%
Auto Unit	52.0%	74.8%	+22.8pp 	70%
Ethanol Unit	18.0%	60.0%	+42.0pp 	50%

	11/12/23	11/13/23	11/14/23	11/15/23	11/16/23	11/17/23	11/18/23	11/19/23	11/20/23	11/21/23	11/22/23	11/23/23	11/24/23	11/25/23
Availability	64.7%	72.8%	75.2%	74.8%	72.8%	68.8%	62.5%	64.3%	71.0%	72.1%	67.7%	62.1%	64.5%	61.5%
Agreement	359	440	411	336	336	364	386	408	483	466	455	536	455	414
Absences	593	476	494	535	712	792	667	633	519	551	830	837	477	451
Company Business	30	78	119	143	116	66	32	31	51	55	36	20	26	32
FMLA/Medical Leave	306	239	170	182	254	324	341	311	222	199	267	395	368	292
Furloughed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	14	19	28	25	25	19	20	20	18	16	7	7	7	9
Training	4	22	43	52	33	3	0	4	12	15	8	0	1	0
Vacation/Paid Leave	1,100	1,014	908	934	998	1,090	1,196	1,169	1,366	1,364	1,577	2,034	1,830	1,623