

June 27, 2023

306867

Chairman Martin J. Oberman

Vice Chairman Karen J. Hedlund

Member Patrick J. Fuchs

Member Robert E. Primus

Member Michelle A. Schultz

Re: EP 770 (Sub-No. 1), *Urgent Issues in Freight Rail Service—Railroad Reporting*

ENTERED
Office of Proceedings
July 20, 2023
Part of
Public Record

Dear Chairman Oberman, Vice Chairman Hedlund, and Members Fuchs, Primus, and Schultz:

Associated Electric Cooperative, Inc. commends the Surface Transportation Board for its interest in, and actions to monitor and report Class 1 railroad service. Reliable deliveries of low sulfur Wyoming coal by rail assures fuel security and helps to keep energy costs low, which allows us to deliver electricity to our member-owners affordably.

We follow activities at the Surface Transportation Board directly, and through our membership with the NCTA, Western Fuels Association, utility peers and coal suppliers who serve on the Board's Rail Energy Transportation Advisory Committee (RETAC). Concerns about railroad service are well documented from shippers and advocacy groups. Many labor-intensive industries struggle filling open positions as commercial activity expands following the economic contraction of 2020-2021. The railroads have been acutely affected. Despite this, our experience with railroad service has been very good.

BNSF Railway provides unit coal train rail service from Wyoming Powder River Basin coal mines to our two power plants in Missouri. We load a trainload of coal every 16 hours on average. We receive and unload 700 carloads of coal a week at each plant on average. Coal delivery requires a 1,900-mile round trip for one plant and a 2,600-mile round trip for the other. Normal round-trip cycle-time is 6.5 days and 9.5 days, respectively. Except for the occasional weather induced delay, we have experienced excellent service from the BNSF.

Excellent service takes on many forms. It begins with contract structure, service design and customer advocacy. It requires a long lens with focus on proper reinvestment in existing infrastructure and new investment in projects that improve service and reliable deliveries. And it requires diligent, efficient, and responsive day to day operations support. We believe BNSF Railway has embraced these concepts and it shows in the level of service we experience. This year,



Associated Electric Cooperative, Inc.

www.aeci.org • 417-881-1204 • FAX 417-885-9252
2814 S. Golden, P.O. Box 754 Springfield, Missouri 65801-0754

BNSF has consistently cycled our sets faster than normal. We are able to schedule and source locomotive power for switching into and out of rail yards when needed. Our unit coal trains are managed and tracked professionally. Beyond unit train service, when shipping special items like large power transformers and other bulk electric power components, BNSF has worked tirelessly providing close coordination between BNSF business lines, and with adjacent railroads, to ensure efficient and timely movements on BNSF's system and through interchanges with other railroads.

Strategic business partners work together to ensure each other's success. We appreciate the opportunity to share our experience with the BNSF and provide our perspective of the level of service we have experienced. We have consistently found the BNSF, and the people who operate it, to be very interested in our success, which is measured by delivering affordable, reliable electricity to our member owners.

Respectfully,

A handwritten signature in blue ink, appearing to read "David Tudor", with a long horizontal flourish extending to the right.

David Tudor

CEO & General Manager