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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

ENTERED
Office of Proceedings
November 6, 2020
Part of
Public Record

Sanimax USA LLC,)
) DOCKET NO. NOR 42171
Complainant,)
)
vs.)
)
Union Pacific Railroad Company,)
)
Defendant.)

VERIFIED COMPLAINT

Sanimax USA LLC
2099 Badgerland Drive
Green Bay, WI 54303

Complainant

Richard F. Riley, Jr.
David T. Ralston, Jr.
R. Nicholas Englund

Foley & Lardner LLP
Washington Harbour
3000 K Street, N.W., Suite 600
Washington, D.C. 20007-5109
Telephone 202.295.4712
Facsimile 202.672.5399
Email contact rriley@foley.com

Attorneys for Complainant

FEE RECEIVED
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Sanimax USA LLC,	)	
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Complainant,	)	
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vs.	)	
	)	
Union Pacific Railroad Company,	)	
	)	
Defendant.	)	

VERIFIED COMPLAINT

Pursuant to 49 U.S.C. § 11701(b), 49 U.S.C. § 11704(c)(1), and 49 C.F.R. § 1111.2, SANIMAX USA LLC (Sanimax) hereby complains against UNION PACIFIC RAILROAD COMPANY (UP) as follows, seeking redress for UP's failure to provide reasonable and adequate rail transportation service to Sanimax in violation of UP's common carrier obligations imposed by law. The attached Verified Statements support the facts set forth in this complaint.

I.

Sanimax (with its principal place of business located at 2099 Badgerland Drive, Green Bay, Wisconsin 54303) serves a crucial function in the agri-food industry by reclaiming animal by-products and rendering them into usable products. The rendering industry is a form of recycling that is crucial to keeping America's and the world's food chain safe and operational. Industry statistics show that more than 62 billion pounds of animal raw materials are rendered annually in the U.S. and Canada, keeping huge volumes of organic material out of landfills and turning it into

16 million tons of usable biofuels, pet and livestock feed and other indispensable products each year. See nara.org/what-is-rendering/. Sanimax is a key North American participant in the industry.

II.

UP is a common carrier by rail subject to the jurisdiction of the Surface Transportation Board (the Board) under Title 49 U.S. Code, Subtitle IV, Part A. UP's main office is located at 1400 Douglas Street, Omaha, Nebraska 68179.

III.

The Board has subject matter jurisdiction over the Complaint under 49 U.S.C. § 11101(a), which requires a rail carrier such as UP to provide adequate rail service on reasonable request; under 49 U.S.C. § 11101(c), which requires 20 days' notice of changes to common carrier service terms; under 49 U.S.C. § 10702(2), which requires rail carriers to establish reasonable rules and practices with respect to rail transportation services; and under 49 U.S.C. § 11701(b) and 49 U.S.C. § 11704(c)(1), cited above, which authorize Sanimax to file this complaint to remedy UP's failure to provide adequate rail service to Sanimax under the foregoing statutory requirements.

IV.

Adequate rail service for a rail shipper seeking to transport perishable food industry by-products, such as those processed by Sanimax in its continuously operating South St. Paul, MN rendering facility described below, is five scheduled days of rail service per week.

V.

Sanimax operates a rendering facility located at 505 Hardman Avenue South, South St. Paul, Minnesota 55075, which is served by rail solely by UP. The South St. Paul facility processes restaurant grease and animal waste from slaughterhouses, meat processing plants and butcher shops (feathers, blood, viscera), and purifies these by-products to turn them into animal feed, pet food, yellow grease, soap, and industrial chemicals. Verified Statement of Greg Rawe (“Rawe VS”) at ¶ 4 (attached as **Exhibit 1**). Inbound materials arrive by trucks, with the bulk of the perishable by-products arriving between mid-days on Monday to the end of the day on Saturday each week. Rawe VS (Exhibit 1) at ¶ 8.

Because the nation’s food chain never sleeps, Sanimax and both its suppliers and customers operate continuously. Rendering is a critical part of this chain, permitting slaughterhouses and other food processors and manufacturers to timely remove by-products in order to avoid serious sanitary challenges and maintain their food-grade facilities under U.S. Department of Agriculture (USDA) and Food and Drug Administration (FDA) regulatory supervision. Rawe VS (Exhibit 1) at ¶ 5. In parallel with suppliers’ need to remove these products, Sanimax must timely process these by-products to avoid its own serious challenges – the decay and rot of these materials that can degrade the quality of the raw materials used in the rendering process and that can also create environmental issues such as bacterial infections and noxious gas. Rawe VS (Exhibit 1) at ¶¶ 6, 12.

Delays in removing processed materials from the South St. Paul facility create significant, untenable hardships for Sanimax. The South St. Paul facility continuously receives raw materials from its suppliers, which arrive by truck. The facility does not have capacity to store the inbound animal by-products and this material must remain in the truck trailers until the facility can begin

processing it. Rawe VS (Exhibit 1) at ¶ 10. Storing materials on trailers for more than approximately six hours is not a viable option. The raw materials will continue to decay on the trailers which results in serious problems for Sanimax. Rawe VS (Exhibit 1) at ¶ 11.

Environmentally, the noxious decaying materials create serious political, community, regulatory, and litigation risks, including nuisance complaints, regulatory enforcement actions, and class action lawsuits. Rawe VS (Exhibit 1) at ¶ 12.

Logistically, the South St. Paul facility has limited space to house trailers filled with the continuously arriving raw materials. Rawe VS (Exhibit 1) at ¶ 12. Parking trailers at a distant location is not a viable option. *Id.* The raw materials will decay regardless of where the trailer is parked and holding the trailers at a distant location would still require materials to be transported to the facility and raises the same regulatory challenges for decaying materials.

Commercially, permitting the raw materials to decay on trailers degrades the material, resulting in a lower quality, less commercially valuable rendered product. Rawe VS (Exhibit 1) at ¶ 14. The longer it takes to render the raw materials, the more the materials decompose, and, consequently, the lower the quality of the final product. *Id.* Raw material can degrade to a point at which it is no longer usable and Sanimax must dispose of the material. *Id.* Sanimax must pay to dispose of unusable products and loses the opportunity to process those raw materials. *Id.*

These combined consequences risk forcing the South St. Paul plant to stop receiving raw materials from its suppliers with serious, negative financial and reputational consequences. These risks arise from the unending circular economy in which the food chain operates. Rawe VS (Exhibit 1) at ¶ 15.

Reliable outbound service is a critical part of ensuring that Sanimax can continue to receive and process inbound raw materials. Because Sanimax has limited storage for finished goods, it

must secure adequate outbound service to continue operating. Rawe VS (Exhibit 1) at ¶ 23. Once the storage capacity of finished products is reached, the South St. Paul facility would shut down its rendering process triggering these serious environmental, logistical, and commercial risks. *Id.*

VI.

For at least 10 years, Sanimax has consistently scheduled outbound common carrier rail service from UP at its South St. Paul facility for five days per week – Sunday through Thursday. Verified Statement of Todd Strickler (“Strickler VS”) at ¶ 5 (attached as **Exhibit 2**). During the parties’ relationship, UP has routinely missed one or more days of scheduled service per week by simply not showing up for the scheduled service or failing to provide service as requested. Strickler VS (Exhibit 2) at ¶ 6.

Sanimax has repeatedly submitted service complaints to UP in the hopes of resolving UP’s failure to arrive at the Sanimax plant to provide correct rail service on the scheduled days, which UP well knows is necessitated by Sanimax’s operations. Strickler VS (Exhibit 2) at ¶¶ 7-10. On many occasions, these complaints have been escalated through UP’s servicing groups, which have frequently offered empty promises to improve the service. *Id.* In response to these escalated complaints, UP has sometimes temporarily improved service, but UP’s service soon regresses to its usual pattern of missed service. For example, following a series of complaints about service frequency issues, Sanimax had an on-site meeting at the South St. Paul plant in August 2017 with several UP operational and supervisory personnel. *Id.* Following this on-site meeting, UP placed Sanimax in the railroad’s Customer Care program for 60 to 90 days. *Id.* During the weeks Sanimax was in the Customer Care program, UP’s weekly service improved with fewer missed days of

service. *Id.* Following the end of the program, however, UP's service quickly regressed and it again routinely missed two or more days of service per week. *Id.*

Sanimax's ability to maintain continuous operations has been hampered by UP's consistent service failures. With service scheduled for five days per week, Sanimax's limited storage capacity may have enough margin to avoid disrupting plant operations but at considerable risk and cost. When UP misses service Sanimax scrambles to essentially "catch-up" on the remaining three to four days that week. But this margin for missed service is eliminated with scheduled three-days-per-week outbound service. Any service days that UP misses during three-days-per-week service forces Sanimax to find alternate transportation, at an increased cost and financial loss or to halt operations until UP shows up again.

UP's consistent failure to arrive at Sanimax's South St. Paul facility and provide trains for the scheduled five-days-per-week outbound service violates UP's common carrier rail service obligations under 49 U.S.C. § 11101.

VII.

UP's failure to schedule adequate rail service in violation of its statutory common carrier obligation is aggravated by its regular misplacement of railcars at the South St. Paul plant, which demonstrates UP's lack of credibility in promising improved service and further taxes Sanimax's margins for missed outbound service.

The South St. Paul facility has two tracks within the plant. Track 826 is used for loading with three positions (positions one through three) that accommodate loading tanker railcar and two positions (positions four and five) that accommodate loading hopper railcars. Rawe VS (Exhibit 1) at ¶¶ 19-20. Track 827 is a storage track that can store up to five railcars, a combination of tanker and hopper railcars, but this track does not have the infrastructure for loading railcars. *Id.*

UP has regularly misplaced railcars ordered for the loading track (826) onto the storage track (827), and placed hopper railcars in a tanker loading position and vice versa. These service defaults make it slow and difficult, and sometimes impossible, for Sanimax to ready the railcars for movement away from the plant. This situation exacerbates UP's common carrier service default and is another reason that five-days-per-week service is mandatory. Rawe VS (Exhibit 1) at ¶ 21.

VIII.

On July 17, 2020, UP sent an email to Sanimax proposing a decrease in scheduled rail service to the South St. Paul facility from five days per week to three days per week. Strickler VS (Exhibit 2) at ¶ 11. UP asserted that it “continually evaluate[s] service levels around our network to optimize our resources. In this case, we are not seeing the same volumes and thus these changes will align our resources with customer demand.” Strickler VS (Exhibit 2) at ¶ 11 and Attachment 1. Between July 17 and August 3, 2020, Sanimax objected, explaining that the decrease in service days, combined with UP's abysmal service history, was unacceptable and an unreasonable decision by the monopoly rail carrier. Strickler VS (Exhibit 2) at ¶¶ 12-13.

Then without further consultation, on August 3, 2020 UP told Sanimax that it had *unilaterally* reduced service at South St. Paul to three scheduled days per week. Strickler VS (Exhibit 2) at ¶ 14. UP further announced that the scheduled service days would be on Mondays, Wednesdays, and Fridays without consulting Sanimax. *Id.* Yet, even after reducing rail service to three scheduled days a week, UP has continued to miss scheduled service days.

Incredibly, the first week of the three-days-per-week outbound service UP failed to provide proper service all three days. The first day of the new service, Monday, August 3, 2020, UP failed to properly place a railcar, preventing it from being loaded. Strickler VS (Exhibit 2) at ¶ 16. The

next scheduled service day (Wednesday, August 5, 2020), UP again failed to properly place a railcar. *Id.* The last day of scheduled service (Friday, August 7, 2020), UP failed to show up entirely. *Id.*

These service failures and defaults demonstrate that Sanimax cannot rely on UP's promises to improve its poor service, and that scheduling service three days per week presents an unreasonable risk of disruption and would result in significant hardships for Sanimax. Indeed, UP's service history demonstrates that three days per week of scheduled service would effectively provide at best two reliable days of adequate service per week.

IX.

Following recent informal mediation at the Surface Transportation Board, UP promised two minor and insufficient accommodations (which it may or may not maintain, given past practices): UP agreed to change the three service days from Monday-Wednesday-Friday to Sunday-Tuesday-Thursday and it promised a dedicated crew for the rail service. Strickler VS (Exhibit 2) at ¶ 17. When compared to the Monday-Wednesday-Friday schedule, scheduling service on Sunday-Tuesday-Thursday may mitigate some of the hardships Sanimax faces with three scheduled days of service. Strickler VS (Exhibit 2) at ¶ 18. But this mitigation does not avoid significant hardships for Sanimax posed by the reduced three-days-per-week schedule, equally true for Sanimax's clients and customers. On September 4, 2020, Sanimax sent UP a formal demand letter requesting that the railroad restore service to five scheduled days a week. Strickler VS (Exhibit 2) at ¶ 19.

X.

Due to UP's poor record of routinely missing service, scheduled service of three days per week has adversely affected Sanimax's business and will continue to do so. The service reduction forced Sanimax to find alternative transportation for its products that resulted in significant expense, while UP continues to routinely miss scheduled service days. Strickler VS (Exhibit 2) at ¶ 18. Between August 3 and late October 2020, UP failed to service Sanimax on some 14% of the scheduled days. Strickler VS (Exhibit 2) at ¶ 20 and Attachment 3. UP also provided inaccurate service (misplacing railcars) some 30% of the time, *id.*, which seriously aggravates UP's unlawful failure to provide reasonable and adequate rail transportation service.

UP's rail service record is simply abysmal, and decreasing the number of service days for this unreliable service will continue to impact Sanimax's operations. If allowed to continue, this service pattern would lead to a situation where Sanimax and its clients and customers will suffer greatly (beyond increased expense), such as Sanimax being forced to stop its rendering operations, with the attendant problems of decaying product and increased odor complaints, and Sanimax being unable to accept by products from its suppliers or to provide rendered products to its customer, leading these suppliers and customers to lose confidence in Sanimax, perhaps permanently. Sanimax must not be forced to wait for such ruinous consequences to its business and to its clients and customers before UP's inadequate and unreasonable service is addressed and resolved.

XI.

Between August 3, 2020 and October 2, 2020, Sanimax's incurred increased shipping costs due to using trucks of at least \$13,935.27. Strickler VS (Exhibit 2) at ¶ 21 and Attachment

4. Additionally, UP has charged Sanimax \$8,555.00 in demurrage charges since UP unilaterally decreased scheduled service to three days per week. Strickler VS (Exhibit 2) at ¶ 22 and Attachment 3. Of course, these added costs and demurrage charges do not begin to quantify the unreasonable operational and business risks that Sanimax is shouldering as a result of UP's actions. As an essential service to the food chain, and supplier of goods and services to its customers and clients in that chain, Sanimax simply does not have the luxury of allowing UP's rail service failure to continue unabated.

CONCLUSION AND REQUESTED RELIEF

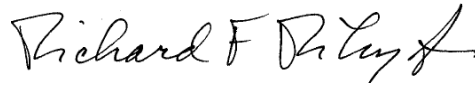
WHEREFORE, for the reasons stated, the Board should find that UP's reduction of rail service constitutes a failure to provide adequate rail service to Sanimax in violation of UP's common carrier obligation under 49 U.S.C. § 11101(a); a failure to provide adequate notice of its change of common carrier service terms in violation of 49 U.S.C. § 11101(c); and an unreasonable practice in the matter of rail transportation in violation of 49 U.S.C. § 10702(2).

Sanimax respectfully requests that the Board order UP to cease and desist from such violations, require UP to restore scheduled service to Sanimax to five days per week, and award damages to Sanimax for such violations as may be proven in an investigation of this Complaint.

Respectfully submitted,

Sanimax USA LLC
2099 Badgerland Drive
Green Bay, WI 54303

Complainant



Richard F. Riley, Jr.
David T. Ralston, Jr.
R. Nicholas Englund
Foley & Lardner LLP
Washington Harbour
3000 K Street, N.W., Suite 600
Washington, D.C. 20007-5109
Telephone 202.295.4712
Facsimile 202.672.5399
Email contact rriley@foley.com

Attorneys for Complainant

DATE FILED: November 6, 2020

CERTIFICATE OF SERVICE

In accordance with 49 C.F.R. § 1111.4, I hereby certify that on November 6, 2020, a copy of this Complaint was served by Federal Express overnight express courier service for delivery on Monday, November 9, 2020, on Craig V. Richardson, Chief Legal Officer, Union Pacific Railroad Company, 1400 Douglas Street, 15th Floor, Omaha, Nebraska 68179.

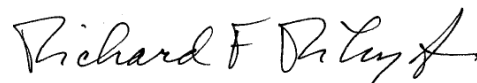
I also certify that the front of the overnight express courier envelope includes the legend “Service of STB Complaint.”

Copies of this Complaint have been sent as an informational matter via email to additional UP representatives, as follows:

Nicki K. Banks
Senior Manager Terminal Operations – South St. Paul
Union Pacific Railroad Company
1400 Douglas Street
Omaha NE 68179
Email address: nkguenth@up.com

Emma Sethe
Sales Manager – Bulk
Union Pacific Railroad Company
1400 Douglas Street
Omaha NE 68179
Email address: esethe@up.com

Scott Hopson
Regional Manager Great Lakes SRU
Union Pacific Railroad Company
1400 Douglas Street
Omaha NE 68179
Email address: scotthopson@up.com



Richard F. Riley, Jr.

EXHIBIT 1

VERIFIED STATEMENT OF
GREG RAWE

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Sanimax USA LLC,	)	
	)	DOCKET NO. NOR 42171
Complainant,	)	
	)	
vs.	)	
	)	
Union Pacific Railroad Company,	)	
	)	
Defendant.	)	

VERIFIED STATEMENT OF GREG RAWE

I, Greg Rawe, verify under penalty of perjury the following:

1. I am the Plant Manager for the South St. Paul facility for Sanimax LLC USA. I have held this position for two years and three months.
2. I am responsible for overseeing the day-to-day operations of Sanimax's South St. Paul facility identified below, including the transportation needs of outbound finished products. Those responsibilities include overseeing the physical facilities and the facility's grounds, the processing and storage of incoming raw materials, the loading and shipping of all finished product, and the staff and personnel on the site.
3. Sanimax LLC USA operates a facility in the City of South St. Paul, Minnesota located at 505 Hardman Avenue South, South St. Paul, Minnesota 55075.
4. The South St. Paul facility processes restaurant grease and animal waste from slaughterhouses, meat processing plants and butcher shops (feathers, blood, viscera),

and purifies these by-products to turn them into animal feed, pet food, yellow grease, soap, and industrial chemicals.

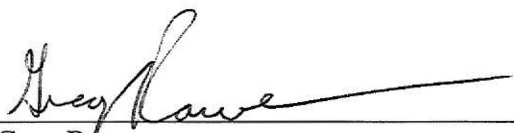
5. The rendering process is an essential component of the food industry to ensure that our suppliers can remove these by-products from their facilities and ensure that they maintain sanitary conditions for a food grade facility under U.S. Department of Agriculture and Food and Drug Administration regulations.
6. The by-products are organic material that begin to decompose before reaching our facility. Rendering this material into the high-quality protein or fat that Sanimax ships to our finished product clients requires a strict schedule.
7. The South St. Paul facility has limited capacity to store rendered products. When the storage capacity has been reached, Sanimax must halt its rendering operations.
8. Because our suppliers work continuously, the South St. Paul facility must work on a continuous basis. Inbound materials arrive by trucks, with the bulk of the perishable by-products arriving between mid-days on Monday to the end of the day on Saturday each week.
9. Because Sanimax continually receives by-products from its suppliers, halting rendering operations will create untenable risks for the company.
10. The South St. Paul facility does not have capacity to store the raw, inbound materials arriving from our suppliers. As the raw material arrives by trailer, it must remain in the trailer – in its raw form – until the facility has the capacity to begin handling and processing the material.

11. Storing materials on trailers for more than approximately six hours is not a viable option. The raw materials will continue to decay in the trailers which results in serious problems for Sanimax.
12. Environmentally, the noxious, decaying materials create serious political, community, regulatory, and litigation risks, including nuisance complaints, regulatory enforcement actions, and class action lawsuits.
13. Logistically, the South St. Paul facility has limited space to house trailers filled with the continuously arriving raw materials. Parking trailers at a distant location is not a viable option. The raw materials will decay regardless of where the trailer is parked and holding the trailers at a distant location would still require materials to be transported to the facility and raises the same regulatory challenges for decaying materials.
14. Commercially, permitting the raw materials to decay in trailers degrades the material, resulting in a lower quality, less commercially valuable rendered product. The longer it takes to render the raw materials, the more the materials decompose, and, consequently, the lower the quality of the final product. Raw material can degrade to a point at which it is no longer usable and Sanimax must dispose of the material. Sanimax must pay to dispose of unusable products and loses the opportunity to process those raw materials.
15. These combined consequences risk forcing the South St. Paul plant to stop receiving raw materials from its suppliers, with serious, negative financial and reputational consequences.

16. Outbound shipping of the rendered products must continue to avoid shutting down the rendering process and these serious consequences.
17. A critical component to avoid shutting down the rendering process is adequate outbound rail service for finished products.
18. Sanimax uses rail service for large volumes of outbound finished products. When rail service is adequate (five scheduled days per week), a large portion of our finished products are carried by rail.
19. There are two spur tracks within the South St. Paul facility: Track No. 826 and Track No. 827. These connect with the Union Pacific Railroad Company main line on which our outbound rail traffic operates.
20. Track No. 826 has infrastructure to load five railcars. Positions one through three on Track No. 826 have infrastructure to load tanker railcars. Positions four and five have infrastructure to load hopper railcars.
21. Placing railcar types in the wrong position on Track 826 prevents Sanimax from loading the railcar until it is moved to the correct position. For example, placing a tanker railcar in the position with infrastructure for a hopper railcar makes the tanker railcar and the hopper loading area unusable.
22. Track No. 827 has space to accommodate up to five railcars. It does not have infrastructure for loading railcars and is used to store railcars.
23. The South St. Paul facility has limited capacity to store the rendered, final products, which makes outbound service a critical component to ensure continual operation. When Union Pacific fails to provide adequate service, Sanimax must find commercial trucks that are available and capable of shipping the outbound final products.

In accordance with 49 C.F.R. § 1104.5, I, Greg Rawe, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on November 5, 2020



Greg Rawe
Plant Manager, South St. Paul Facility
Sanimax LLC USA

EXHIBIT 2

VERIFIED STATEMENT OF
TODD STRICKLER

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Sanimax USA LLC,	)	
	)	DOCKET NO. NOR 42171
Complainant,	)	
	)	
vs.	)	
	)	
Union Pacific Railroad Company,	)	
	)	
Defendant.	)	

VERIFIED STATEMENT OF TODD STRICKLER

I, Todd Strickler, verify under the laws of the United States the following:

1. I am a certified logistics professional and have served as the Manager of Customs Compliance and Logistics for Sanimax LLC and all of its Affiliates since 2006. My office is located in Guelph, Ontario, Canada.
2. My duties include supervising Sanimax's logistics for North America, including logistics for Sanimax LLC USA. My role includes, but is not limited to, overseeing the logistics budget, sourcing carriers, and strategic planning for the movement of goods, both raw materials and finished products, by all modes of transportation, truck, rail, and ocean. A staff of six professional team members report to me.
3. Through my role as Manager of Customs Compliance and Logistics, I have worked extensively with Union Pacific Railroad Company (Union Pacific) regarding its service for Sanimax's South St. Paul, Minnesota facility.

4. For more than ten years, Sanimax's South St. Paul facility has obtained outbound common carrier rail service from Union Pacific, the monopoly rail carrier at the facility.
5. During that time, Sanimax has scheduled five-days-per-week outbound common carrier rail service. To accommodate the flow of raw materials (animal and food by-products) from Sanimax's suppliers, Sanimax scheduled weekly service on Sunday through Thursday.
6. Union Pacific has routinely missed two or more days of service per week. The missed service primarily includes Union Pacific's failure to show up on a scheduled day. Union Pacific's incorrect placement of railcars at our South St. Paul facility aggravates the frequently missed service.
7. Sanimax has reported the missed service to Union Pacific and complained frequently about these service problems.
8. In response to Sanimax's complaints, Union Pacific has repeatedly promised to improve service, yet the issues have persisted.
9. Sanimax has escalated these complaints through Union Pacific's service groups. At times, this escalation has led to temporary improvements in service. But within a short period of time the service regresses back to failed service two or more days a week.
10. For example, in 2017, Sanimax repeatedly complained of service failures that culminated in an on-site meeting at the South St. Paul facility with several Union Pacific operational and supervisory personnel. Following the on-site meeting, Union Pacific placed Sanimax in the railroad's Customer Care program for 60 to 90 days.

While in the Customer Care program, Union Pacific's weekly service improved with fewer missed days and service failures. But once the program ended, Union Pacific's service quickly regressed back to routinely missing service.

11. On 17 July 2020, Union Pacific e-mailed Sanimax with what it called a proposal to change the longstanding five-days-per-week outbound common carrier service. Union Pacific proposed changing service from five days per week (Sunday through Thursday) to three-days-per-week service on Monday, Wednesday, and Friday. *See* Attachment No. 1 (17 July E-mail from Emma Sethe, Union Pacific Sales Manager).
12. On 17 July 2020, Sanimax objected to the proposed reduction in scheduled service days and explained that losing two scheduled days would have a severe impact on the South St. Paul facility's operations. *See id.*
13. Between 17 July and 3 August 2020, Sanimax exchanged e-mails and had teleconferences with Union Pacific personnel objecting to the proposed service schedule. Sanimax explained the disruptions that the proposed decrease in scheduled service would cause due to Union Pacific's long history of missed service and the operational demands of the South St. Paul facility.
14. On 3 August 2020, despite Sanimax's explanations, Union Pacific unilaterally changed schedule for outbound common carrier service from five days per week to three days per week on Mondays, Wednesdays, and Fridays. *See* Attachment No. 2 (E-mail Correspondence Re Change in Service Schedule) at p. 1.

15. Between 3 August 2020 and 20 October 2020, Union Pacific provided incorrect service (railcar placement) on 30% of the scheduled service days and failed to show up 14% of the time. During that time, Union Pacific did provide three days of unscheduled service to make up for missed service. But even when the railroad attempted to make up for its service failures, it provided incorrect service on two of the three make-up days. *See* Attachment No. 3 (Table of Scheduled and Missed Service Since 3 Aug 2020).
16. Moreover, the service failures continued immediately following the new schedule. On Monday, 3 August 2020, the first day of the three-days-per-week service schedule, Union Pacific placed an empty railcar in the wrong spot. On the second scheduled day of service, Wednesday, 5 August 2020, Union Pacific again incorrectly placed an empty railcar. On Friday, 7 August 2020, the last scheduled day of service for that week, Union Pacific failed to show up entirely. To make up for missing service that Friday, Union Pacific provided recovery service on Sunday, 9 August 2020, leaving Sanimax without rail service for four consecutive days. Again, these car placement failures aggravate the core problem of service frequency.
17. In recent months, Sanimax attempted to resolve the unilateral reduction in rail service through informal mediation at the Surface Transportation Board. Union Pacific did change the service days to Sunday-Tuesday-Thursday and agreed to provide a dedicated crew for the South St. Paul facility.
18. Scheduled service on Sunday-Tuesday-Thursday would be a minor improvement over the Monday-Wednesday-Friday schedule. But the three days of scheduled service per week, regardless of which days Union Pacific schedules, cannot adequately avoid

- disruptions to Sanimax's operations. Due to the disruptions that the service reduction has continued to cause, Sanimax objects to a Sunday-Tuesday-Thursday schedule.
19. On 4 September 2020, Sanimax sent Union Pacific a formal demand letter requesting that the railroad restore outbound common carrier service to five days per week.
20. Between 3 August 2020 and the end of October 2020, Union Pacific regularly failed to provide service on scheduled days and regularly provided inaccurate service (misplacing railcars). *See* Attachment No. 3 (Table of Scheduled and Missed Service Since 3 Aug 2020).
21. The service disruptions recorded since 3 August 2020 have forced Sanimax to ship finished products by truck. The cost differential due to using trucks during that period has led Sanimax to incur a loss of at least \$13,935.26 in August alone. *See* Attachment No. 4 (Table of Expenses, right hand column).
22. Since the reduction in service on 3 August 2020, UP has charged Sanimax \$8,555.00 in demurrage charges. *See* Attachment No. 3 (Table of Scheduled and Missed Service Since 3 Aug 2020).

23. As of the date of this verified statement, Union Pacific has continued its three-days-per-week schedule.

In accordance with 49 C.F.R. § 1104.5, I, Todd Strickler, verify under the laws of the United States that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on November 4, 2020

A handwritten signature in black ink, appearing to read "TSA STRICKLER".

Todd Strickler
Manager, Customs Compliance and Logistics
Sanimax LLC and all of its Affiliates

ATTACHMENT NO. 1

Strickler, Todd

From: Renkas, Collin - 1371
Sent: Friday, July 17, 2020 10:24 AM
To: Emma Sethe
Cc: Bob N. Federspiel; Todd D. Thimjon; Strickler, Todd - 2105
Subject: RE: Proposed Service Changes

Importance: High

Good morning Emma,

At first glance, my first thought it you are taking away two service days. That will have severe impact on our operations in South St. Paul. If we have the choice, this really is not beneficial to us whatsoever.

Might I ask why you are exploring this?



Collin Renkas

Manager - Logistics USA
Sanimax, LLC
Phone: (920) 494-0418 x 1371
Cell: (920) 277-1709
collin.renkas@sanimax.com
www.sanimax.com

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We Are The 3R

From: Emma Sethe <ESETHE@up.com>
Sent: Friday, July 17, 2020 9:08 AM
To: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>
Cc: Bob N. Federspiel <BNFEDERS@up.com>; Todd D. Thimjon <TTHIMJON@UP.COM>
Subject: Proposed Service Changes

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Collin,

We are proposing changes to service. We would like to change the day of week you are spot and pulled; however, the spot and pull times will not change. Changes below.

Please let us know your feedback and thank you!

SPOT

Current: Sunday/Monday/Tuesday/Wednesday/Thursday with 1030 cutoff time
Proposed: Monday/Wednesday/Friday with 1030 cutoff time

Consignee Name	Dest CitySt	Current Train	Current Spot Cutoff Time	Current Spot Cutoff DOW	Current Spot Time	Current Spot DOW	Propos
SANIMALLC	SSTPAULMN	YSP75R	+ 0 10:30	SMTWT--	18:31	SMTWT--	YSP75i

PULL

Current: Sunday/Monday/Tuesday/Wednesday/Thursday with 2230 cutoff time

Proposed: Monday/Wednesday/Friday with 2230 cutoff time

Shipper Name	Orig CitySt	Current Train	Current Pull Cutoff Time	Current Pull Cutoff DOW	Current Pull Time	Current Pull DOW	Propos
SANIMALLC	Q JCT MN	YSP75R	+ 0 22:30	SMTWT--	18:30	SMTWT--	YSP75i

Emma Sethe

Sales Manager | Bulk

Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179

Phone: 402 544 3188 •**Cell:** 402 957 8523 •**Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

**

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**

ATTACHMENT NO. 2

Strickler, Todd

From: Emma Sethe <ESETHE@up.com>
Sent: Monday, August 3, 2020 9:49 AM
To: Strickler, Todd - 2105
Cc: Renkas, Collin - 1371; Emma Sethe; Todd D. Thimjon
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Todd,

I received a notification from my network planning and operations teams, they have made the change effective today. Please let us know how the change works on your side and how our operating team performs there locally.

Thank you!

Emma Sethe

Sales Manager | Bulk

Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179

Phone: 402 544 3188 • **Cell:** 402 957 8523 • **Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

From: "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
To: "Emma Sethe" <ESETHE@up.com>, "Todd D. Thimjon" <TTHIMJON@UP.COM>
Cc: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
Date: 07/31/2020 09:33 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

Emma,

On our call we agreed that Sanimax would get back to you before a firm decision was made.

We will share more information late Tuesday.

Todd

From: Emma Sethe [<mailto:ESETHE@up.com>]

Sent: Friday, July 31, 2020 10:08 AM

To: Todd D. Thimjon

Cc: Renkas, Collin - 1371; Strickler, Todd - 2105

Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Collin and Todd - We plan to move forward with the changes, once we have an effective date, we will communicate that to you. As I stated below, if there should be service issues and we are not performing, we will get together and work out a plan with local operating. If business levels increase, we will add days of service back!

Thank you!

Emma Sethe

Sales Manager | Bulk

Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179

Phone: 402 544 3188 •**Cell:** 402 957 8523 •**Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

From: Emma Sethe/UPC
To: Todd D. Thimjon/UPC@UP
Cc: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
Date: 07/30/2020 10:15 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

Thank you Todd.

Collin/Todd - Overall, we believe this change makes sense and will improve service. If volume increases and we need to bring on more resources then we will add service back. We have done this in other areas of our network. We are always reviewing service to ensure it aligns with volume and resources. If there are issues, which we do not expect there to be, then we will work with local operations to execute on the plan.

Emma Sethe

Sales Manager | Bulk

Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179

Phone: 402 544 3188 •**Cell:** 402 957 8523 •**Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

From: Todd D. Thimjon/UPC
To: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
Cc: "Emma Sethe" <ESETHE@up.com>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
Date: 07/30/2020 09:59 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

Colin there are two different reports. Lets just focus on this one since it has the most detailed information. The excel report below shows the cars we spotted and pulled on time and/or late since May 1st.

Cars that were scheduled to be pulled is on row 6. Cars pulled on time are on row 7. Cars we pulled late on row 8. For

example on 5/3 (column d) we were scheduled to pull 2 cars and we pulled 2 cars on time

Cars that were scheduled to be spotted is on row 12. Cars spotted on time are on row 13. Cars we spotted late on row 14.

	A	B	C	D	E	F	G	H	I	J	K
1	MM/DD	5/1	5/2	5/3	5/4	5/5	5/6	5/7	5/8	5/9	5/10
2	Day	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun
3	Service Type			S/P	S/P	S/P	S/P	S/P			S/P
4											
5	INDUSTRY SPOT&PULL										
6	Scheduled Pull			2			4				
7	Actual Pull On Time			2			4				
8	Actual Pull Late										
9	Actual Pull Not Done										
10	% Pull On Time			100%			100%				
11											
12	Scheduled Spot				4			2			
13	Actual Spot On Time				4			2			
14	Actual Spot Late										
15	Actual Spot Not Done										
16	% Spot On Time				100%			100%			
17											

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135
TThimjon@up.com

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From: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
To: "Todd D. Thimjon" <TTHIMJON@UP.COM>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
Cc: "Emma Sethe" <ESETHE@up.com>
Date: 07/30/2020 09:45 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

* PROCEED WITH CAUTION - This email was sent from outside the Company *

Yes, this was on a report after we requested. The root of my question was because that other report revealed no pulls or spots since May to June 14th, I was worried it could have triggered us to be under evaluation of service days. It does not appear it was the root.

From: Todd D. Thimjon <TTHIMJON@UP.COM>
Sent: Thursday, July 30, 2020 9:38 AM
To: Strickler, Todd - 2105 <Todd.Strickler@sanimax.com>
Cc: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>; Emma Sethe <ESETHE@up.com>
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Gentlemen I already provided that information. Here it is again.

(See attached file: Sanimax IS&P May thru July YTD 2020.xlsx)

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135
TThimjon@up.com

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▼ "Strickler, Todd - 2105" ---07/30/2020 09:24:44 AM---From: Todd D. Thimjon <

From: "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
To: "Todd D. Thimjon" <TTHIMJON@UP.COM>, "Emma Sethe" <ESETHE@up.com>
Cc: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
Date: 07/30/2020 09:24 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

I am not so concerned with what the volumes show, but more so with the Service.

You cannot say that you are servicing pulls and spots at a certain level, when a very large chunk of data, from a time when we were experiencing service issues is missing.

Todd S

From: Todd D. Thimjon [<mailto:TTHIMJON@UP.COM>]
Sent: Thursday, July 30, 2020 10:16 AM
To: Emma Sethe

Cc: Renkas, Collin - 1371; Strickler, Todd - 2105

Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Emma we changed our report back in June and I believe it did not populate with data before June 14th. I don't have access to F990 data anymore... Could you pull to see if volumes are in the ball park?

Tks,
Todd

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135
TThimjon@up.com

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▼ Emma Sethe---07/30/2020 08:56:40 AM---Hi Collin - I know that we are not making these changes based on individual customer volumes but co

From: Emma Sethe/UPC
To: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
Cc: "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>, "Todd D. Thimjon" <TTHIMJON@UP.COM>
Date: 07/30/2020 08:56 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

Hi Collin - I know that we are not making these changes based on individual customer volumes but corridors and regions as a whole. We make changes to all of the customers service on given local trains to improve service for all. We have been very successful with improving service for customers with this approach.'

Todd - Can you take a look at why Collin's data differs from ours?

Thank you,

Emma Sethe
Sales Manager | Bulk
Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179
Phone: 402 544 3188 • **Cell:** 402 957 8523 • **Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

From: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
To: "Emma Sethe" <ESETHE@up.com>
Cc: "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>, "Todd D. Thimjon" <TTHIMJON@UP.COM>

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

Good morning Emma,

When Todd T. said on the call that we did not have service in May, and I also notice it on the data you provided below. I am concerned it may have triggered something about our facility to go under evaluation by the UP that it may have not otherwise. If you look at the data below, there is no spots or pulls listed from May 1st to June 14th. That was not the case. We had 23 pulls in May, and 6 more pulls from 6/1- to 6/14. I cannot extract the data on the spots, but it does not appear you will be able to either.

That seems like something systematic with the issue I attached. Maybe your crew not logging their stops, but after that issue, they started again?

Overall, I am most concerned this could have put us into being a customer to be evaluated, when we maybe shouldn't have. And having said that, with the May and June numbers added, does it change anything? Maybe us being re-evaluated on the amount of service days you are proposing?



From: Emma Sethe <ESETHE@up.com>
 Sent: Thursday, July 30, 2020 7:54 AM
 To: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>
 Cc: Strickler, Todd - 2105 <Todd.Strickler@sanimax.com>; Todd D. Thimjon <TTHIMJON@UP.COM>
 Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Collin and Todd,

Based on our discussions, we have heard your concerns surrounding service, ordering empties and demurrage.

We have been 83-94% on spots and pulls. Our level loading methodology will improve service for you and all the

customers in your area by smoothing out the service. We have had success with this all around our network. If you have systemic issues, we can address those with our local operating team.

Regarding ordering empties, the process hasn't changed, your cut-off remains the same.

In terms of Demurrage, as long as you are maximizing your spots and loading/unloading in a timely manner (24 hours) the demurrage should not be more impactful. Do you have a scenario you are thinking of? Please let us know.

If we were to miss a switch and you document via the case management system (service issues) then you can use that as documentation to dispute demurrage.

We would like to move forward with the change and have it approved this week.

Todd and I are available for a call today if you would like, thank you!

Emma Sethe

Sales Manager | Bulk

Union Pacific Railroad | 1400 Douglas St. | Omaha, NE 68179

Phone: 402 544 3188 • **Cell:** 402 957 8523 • **Email:** esethe@up.com

Coronavirus (COVID-19) Impact on Union Pacific: <https://www.up.com/aboutup/community/covid/index.htm>

From: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
To: "Todd D. Thimjon" <TTHIMJON@UP.COM>
Cc: "Emma Sethe" <ESETHE@up.com>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
Date: 07/29/2020 10:47 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

This is my concern on the ordering of empties. When we order an empty (which is on our service days), it does not place until the next service day. So hypothetically, South St Paul would need to forecast those orders to the service days, which is a longer lead time, and they currently do not do that. I would have to look how this looks from a Supply Chain.



Collin Renkas

Manager - Logistics USA
Sanimax, LLC
Phone: (920) 494-0418 x 1371
Cell: (920) 277-1709
collin.renkas@sanimax.com
www.sanimax.com

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From: Todd D. Thimjon <TTHIMJON@UP.COM>
Sent: Wednesday, July 29, 2020 9:31 AM
To: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>
Cc: Emma Sethe <ESETHE@up.com>; Strickler, Todd - 2105 <Todd.Strickler@sanimax.com>
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Colin your cutoff for ordering empties is not going to change. So you should be able to do whatever you are doing today.

I am not a demurrage expert and would suggest discussing your questions with Emma.

Tks
Todd

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135
TThimjon@up.com

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▼ "Renkas, Collin - 1371" ---07/29/2020 08:51:58 AM---* PROCEED WITH CAUTION - This email was sent from outside the Company *

From: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>
To: "Todd D. Thimjon" <TTHIMJON@UP.COM>
Cc: "Emma Sethe" <ESETHE@up.com>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>
Date: 07/29/2020 08:51 AM
Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

Hey Todd,

Couple questions.

1. If we order in an empty on a service day, would we receive the empty in that same service night? We usually order in the morning and you services us at night. So would we get same day service if we enter in the morning, or would the car not place until the next service day?
2. In the past I've been told, when we had an over abundance of cars in the UP Yard, we would be hit with demurrage if we were not ordering them in to place or are spur became full, I would hope we would not be hit with demurrage on those cars.

Will be trying to schedule something soon with our team to talk this over. Would like to understand these couple things first. Thank you.

From: Todd D. Thimjon <TTHIMJON@UP.COM>

Sent: Monday, July 27, 2020 4:11 PM

To: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>

Cc: Emma Sethe <ESETHE@up.com>; Strickler, Todd - 2105 <Todd.Strickler@sanimax.com>

Subject: RE: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

You are right I transposed the pull and spot percentages.

Regarding the 83% on time for spots it impacted 12 cars over a 3 month period or 4 cars per month. That does not seem like a significant impact and service could improve since we are trying to smooth out volumes over the week.

Tks

Todd

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135
TThimjon@up.com

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FOLLOW US:

▼ "Renkas, Collin - 1371" ---07/27/2020 03:48:05 PM---* PROCEED WITH CAUTION - This email was sent from outside the Company *

From: "Renkas, Collin - 1371" <Collin.Renkas@sanimax.com>

To: "Todd D. Thimjon" <TTHIMJON@UP.COM>, "Strickler, Todd - 2105" <Todd.Strickler@sanimax.com>

Cc: "Emma Sethe" <ESETHE@up.com>

*** PROCEED WITH CAUTION - This email was sent from outside the Company ***

Hey Todd T,

I think you have the spotting and pulling swapped. It is 94% pulls, and 83% spots.

83% spotting seems a bit concerning to me for operating 5 days. If we get that sort of service on 3 days week, that seems a bit concerning.

Were you sending over Service Issue metrics? Essentially when a spot or pull is not completed, we enter a service issue, but I would be curious a YTD # per how many moves that were actually set forth.

From: Todd D. Thimjon <TTHIMJON@UP.COM>

Sent: Monday, July 27, 2020 3:34 PM

To: Renkas, Collin - 1371 <Collin.Renkas@sanimax.com>; Strickler, Todd - 2105 <Todd.Strickler@sanimax.com>

Cc: Emma Sethe <ESETHE@up.com>

Subject: Re: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

EXPÉDITEUR EXTERNE : Soyez PRUDENTS, en particulier avec les liens et les pièces jointes

EXTERNAL SENDER - Be CAUTIOUS, particularly with links and attachments

Here is the IS&P numbers I mentioned. I have provided daily % on time measure by day and also for spots (94%) and pulls (83%). Thank you for your time!

Todd

(See attached file: Sanimax IS&P May thru July YTD 2020.xlsx)

Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad
402-544-9135

TThimjon@up.com

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▼ Todd D. Thimjon---07/27/2020 02:41:41 PM---

From: Todd D. Thimjon/UPC

To: Collin.Renkas@sanimax.com, Todd.Strickler@sanimax.com, Emma Sethe/UPC@UP

Date: 07/27/2020 02:41 PM

Subject: Fw: Invitation: Proposed Service Changes (Jul 27 02:30 PM CDT in PH: 402-544-8901; ID: 1413188)

Reset


LRL /
DM006

Zone Nbr
1

Track Nbr
(All)

Train Symbol
(All)

Customer Firm Nbr
242838

Customer Name
SANIMAX LLC

Customer Name - Nbr

SANIMAX LLC - 242838

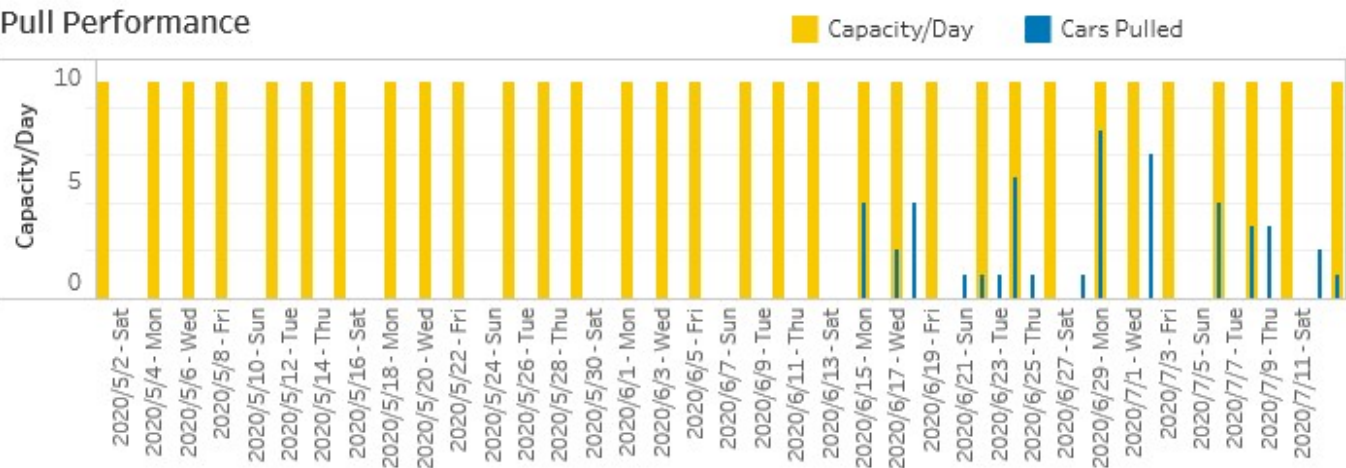
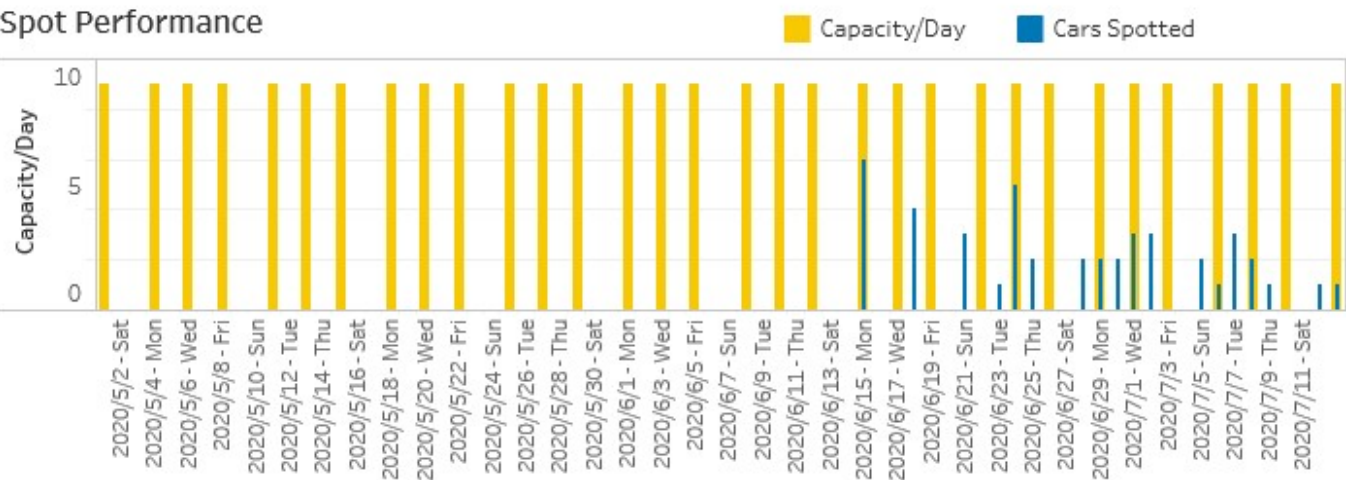
COI Data

Usage

(All) ▼

Circ7	Zone	Track	Firm	Usage	Dem	Spot Type	Msrmt	Working	Pysical	Switch
DM006	1	826	242838	NORMAL	P	Order In	CARS	5	5	5
		827	242838	NORMAL	P	Order In	CARS	4	4	4
Grand Total								9	9	9

CARS* = Car capacity calculated - feet/60 (system ave car length)



Todd Thimjon
Sr Mgr Service & Strategy
Union Pacific Railroad

402-544-9135

TThimjon@up.com

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----- Forwarded by Todd D. Thimjon/UPC on 07/27/2020 02:40 PM -----

Invitation: Proposed Service Changes

Mon 07/27/2020 2:30 PM - 3:00 PM

Attendance is **required** for Todd D. Thimjon

Chair: **Emma Sethe/UPC**

Location:

PH: 402-544-8901; ID: 1413188

Emma Sethe has invited you to a meeting. You have not yet responded.

Required: Collin.Renkas@sanimax.com, Todd D. Thimjon/UPC@UP, Todd.Strickler@sanimax.com

Description

ATTACHMENT NO. 3

SCHEDULED SERVICE

Date	Serviced (Y/N)	Serviced Correctly (Y/N)	Cost	Comment
Mon/3/Aug	Y	N	\$0	Empty Car placed in wrong spot; Not tracking costs yet
Wed/5/Aug	Y	N	\$0	Empty Car not Placed; Not tracking costs yet
Fri/7/Aug	N	-	\$0	No service; Not tracking costs yet
Mon/10/Aug	Y	Y		
Wed/12/Aug	Y	Y		
Fri/14/Aug	N	-	\$ (7,038.65)	No Service
Mon/17/Aug	Y	N	\$ (6,896.61)	Did not place Empty Cars
Tue/18/Aug	Y	Y		
Thu/20/Aug	Y	Y		
Sun/23/Aug	Y	N	\$0	Empty placed in wrong spot
Tue/25/Aug	Y	Y		
Thu/27/Aug	Y	Y		
Sun/30/Aug	Y	Y	\$ (5,365.00)	Demurrage Invoice for August. Disputed with UP, and not yet paid.
Tue/1/Sep	N	-		No Service at all
Thu/3/Sep	Y	Y		
Sun/6/Sep	Y	N		1 empty car not placed, 1 car placed in wrong spot
Tue/8/Sep	Y	N		Empty car placed in wrong spot
Thu/10/Sep	Y	N		Empty car not placed
Sun/13/Sep	Y	Y		
Tue/15/Sep	Y	N		Cars not placed in correct spot on storage track
Thu/17/Sep	N	-		No Service
Sun/20/Sep	Y	Y		
Tue/22/Sep	Y	N		Car Placed in wrong spot
Thu/24/Sep	Y	Y		
Sun/27/Sep	Y	Y		
Tue/29/Sep	Y	Y	\$ (3,190.00)	Demurrage Invoice for September. Disputed with UP, and not yet paid.
Thu/1/Oct	Y	Y		
Sun/4/Oct	Y	Y		
Tue/6/Oct	Y	Y		
Thu/8/Oct	Y	Y		
Sun/11/Oct	Y	Y		
Tue/13/Oct	Y	Y		

Thu/15/Oct	Y	Y		
Sun/18/Oct	Y	Y		
Tue/20/Oct	N	-		1 empty car not placed
Thu/22/Oct	N	-	\$ (4,220.80)	No Service. Cost of trucking and labor / 4 trucks from SSP to GB.
Sun/25/Oct	Y	Y		
Tue/27/Oct	Y	Y		
Thu/29/Oct	Y	Y		
Sun/1/Nov	Y	Y		
Tue/3/Nov	Y	Y		

UNSCHEDULED SERVICE				
Date	Serviced (Y/N)	Serviced Correctly (Y/N)	Cost	Comment
Sun/9/Aug	Y	Y		Recovered Service from Aug 7
Sun/16/Aug	Y	N		Partial Recovery for Aug 14 Pulled 1 loaded; left 2 loaded
Fri/18/Sep	Y	N		Cars place on Wrong tracks
Wed/21/Oct	Y	Y		Recovered from failure on Oct 20
Fri/23/Oct	Y	Y		Recovered from failure on Oct 22

ATTACHMENT NO. 4

		Lbs on Truck	Actual Sale of Truck						Sale Would have Been in Rail Car			Delta Loss / Pound	Loss Net Sales Value	Loss Value in Loading Truck Vs. Car Man Hours	Total loss Operational Value
			Sale Price	Freight	Fuel	Total Freight	Freight/LB	FOB SSP	Sale Price	Freight / Lb	FOB SSP				
SM 1798749 8/15/20	REG	47180	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,764)	\$ 36.48	\$ (1,800.50)
SM 1798750 8/15/20	REG	44480	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,663)	\$ 34.39	\$ (1,697.46)
SM 1798751 8/15/20	REG	45680	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,708)	\$ 35.32	\$ (1,743.25)
SM 1798752 8/19/20	REG	47100	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,761)	\$ 36.42	\$ (1,797.44)
SM 1800942 8/21/20	REG	45860	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,715)	\$ 35.46	\$ (1,750.12)
SM 1800943 8/21/20	REG	46100	0.265	900	120.7	1020.7	0.02218913	0.24281087	0.325	0.0448	0.2802	-0.03738913	\$ (1,724)	\$ 35.64	\$ (1,759.28)
SM 1800944 8/22/20	REG	46120	0.265	850	114.75	964.75	0.020972826	0.244027174	0.325	0.0448	0.2802	-0.036172826	\$ (1,668)	\$ 35.66	\$ (1,703.95)
SM 1800945 8/22/20	REG	45560	0.265	850	114.75	964.75	0.020972826	0.244027174	0.325	0.0448	0.2802	-0.036172826	\$ (1,648)	\$ 35.23	\$ (1,683.26)
ITN-008067 10/22/2020	GRB	46088	0	900.73	118.9	1019.6	1.954369901		N/A Transferred Product to Green Bay			N/A		\$ 35.63	\$ (1,055.26)
ITN-008068 10/22/2020	GRB	46031	0	900.73	118.9	1019.6	1.956789989							\$ 35.59	\$ (1,055.22)
ITN-008069 10/22/2020	GRB	45947	0	900.73	118.9	1019.6	1.96036738							\$ 35.52	\$ (1,055.15)
ITN-008070 10/22/2020	GRB	45954	0	900.73	118.9	1019.6	1.960068764							\$ 35.53	\$ (1,055.16)

	Lbs	Hours to Load	Total Cost To Lc Cost / CWT	
Rail Car	190000	2.5	\$ 63.75	\$ 0.03
Truck	46000	2	\$ 51.00	\$ 0.11

Additional Cost / CWT To Process Truck \$ 0.08

Todd,

Per our conversation on the conference call this morning:

-Due to missed / incomplete service last week, we loaded 11 truck tankers with fat/UCO vs. 3 railcars.

-It takes approximately 2.5 hours to load a railcar tank. It takes approximately 2 hours to load a truck tanker. This is due to the inefficiency of having to blow lines, hook up and unhook hoses, movement of the trucks in and out of the loading lane, etc. So basically it takes roughly the same time to load a railcar tank as a truck tanker.

-11 Truck tankers times 2 hours each = 22 hours. 3 railcars at 2.5 hours is 7.5 hours.

-Difference in hours is 14.5 hours times 25.50 per hour = \$370. This is not to mention lost productivity on other tasks, etc.

Thanks,

Greg

Greg Rawe
Plant Manager
Sanimax South St. Paul
545 Hardman Ave. South
South St. Paul, MN
55075
651-451-6858, ext. 1516