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April 29, 2015

238292

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

ENTERED
Office of Proceedings
April 29, 2015
Part of
Public Record

**Re: STB Ex Parte No. 724 (Sub-No. 4), United States Rail Service Issues—Data
Collection**

Dear Ms. Brown:

Enclosed for electronic filing in the above captioned proceeding is the Reply Comments of BNSF Railway Company to the Board's Notice issued on December 30, 2014. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in purple ink, appearing to read "Jill K. Mulligan".

Jill K. Mulligan

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB EX PARTE NO. 724 (Sub-No. 4)

UNITED STATES RAIL SERVICE ISSUES—DATA COLLECTION

**REPLY COMMENTS OF
BNSF RAILWAY COMPANY**

In a Notice issued on December 30, 2014, the Surface Transportation Board (“STB” or the “Board”) initiated this sub-proceeding to receive comments on proposed regulations requiring permanent reporting by Class I railroads of certain service-related data on a weekly basis and certain infrastructure data on a quarterly basis. The proposed regulations specifically require ongoing reporting of: (i) nine different categories of data relating to network service performance to be provided by each Class I railroad on a weekly basis; (ii) three additional categories of data relating to service within the Chicago area to be filed by the Class I members of the Chicago Transportation Coordination Office (“CTCO”) on a weekly basis; (iii) written notice upon any change in operating alert status within the Chicago terminal to be provided within one business day of such change by the CTCO; and (iv) detailed information regarding ongoing major rail infrastructure projects to be provided by each Class I railroad on a quarterly basis. BNSF Railway (“BNSF”) submitted detailed opening comments on March 2, 2015 (“Opening Comments”), and submits these limited reply comments.

In our Opening Comments, BNSF explained that there did not appear to be any meaningful gaps in terms of our customers’ or the agency’s access to information about service

on our network. We detailed in our Opening Comments the many avenues that our customers have for obtaining data, reports and other communications about how their shipments are moving across the BNSF network. We are pleased to report that BNSF has made significant progress in the first quarter of 2015 towards restoring velocity and meeting our customers' expectations, and this is reflected in the reports and other tailored network performance information we regularly provide to our customers, as well as the interim reporting we have been providing to the Board.

As anticipated in our Opening Comments, the Board has received several renewed requests from associations seeking more specialized reporting of service data, including corridor-specific and additional commodity-specific metrics. The associations seek extensive additional reporting, ranging from expanded commodity-specific measures covering oil seeds, oil seed meal, fertilizer, and vegetable oil (a NGFA request) to average dwell times at each individual interchange for all empty coal unit trains (a Western Coal Traffic League request). Requiring BNSF to provide additional cuts of data for individual commodities or for specific geographic sub-levels on a regular basis would be burdensome and counterproductive to BNSF's efforts to maintain optimal flow across the entire network, consuming critical resources without significant commensurate benefit. For a majority of the data categories raised in the association comments, individual BNSF shippers already have access to relevant information as it relates to their own shipments on the BNSF network. For the scores of additional figures requested in the comments filed in this proceeding, the commenting parties have not demonstrated a legitimate need that outweighs the burden of ongoing reporting of the increasingly granular cuts of new data sets that they are seeking in this proceeding.¹

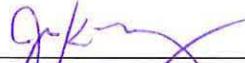
¹ The comments submitted by Alliance for Rail Competition, et al. ("ARC"), with supporting analysis from Terry Whiteside, appear to argue that access to information like the state specific past due reporting is necessary to allow them to perform the analysis in Table 1 purporting to show that "BNSF has elected to respond less vigorously to service problems affecting [South Dakota, Minnesota, Montana, North Dakota and Washington]." ARC bases this

The request for expanded reporting made in these opening comments do not alleviate, and in many cases compound, the specific concerns that BNSF identified in our Opening Comments about the Board's current and proposed reporting requirements. BNSF asks that the Board give due consideration to concerns outlined in our Opening Comments, including data issues and confusion around proposed Request No. 5 (trains held short for 6+ hours) and Request No. 6 (cars held 48+ and 120+ hours), concerns around the Board's proposed definition of unit trains, and difficulties created by the proposed reporting schedule.

In addition, BNSF asks that the Board revisit its proposal requiring Class Is to submit a quarterly report identifying "all work-in-progress, major rail infrastructure projects, including location by State, planned completion date for each project, percentage complete for each project at the time of reporting, and project description and purpose." As detailed in BNSF's Opening Comments, the Board's proposal contains several ambiguities and complexities. The AAR has presented an alternative reporting approach that avoids these pitfalls, would allow BNSF to build on existing communications with our customers and communities, and would meet the Board's goals of providing meaningful information about our annual plan and the execution of that plan. If the Board concludes that additional formal reporting of major infrastructure projects is necessary, BNSF asks that the Board adopt the AAR proposal.

assertion on the fact that while only 20% of BNSF's system miles fall in these five states, they accounted for more than 78% of the past due grain cars. The Board should note that Mr. Whiteside's past due analysis ignores the fact that the majority of BNSF grain shipments originate in the states he identifies. The ARC comments also discuss a "just announced" 9-11.5% increase in BNSF's freight rates for wheat, without providing supporting data. The Board should also note that BNSF has recently transitioned on grain shipments from base rates subject to a separate fuel surcharge to an all-in rate structure not subject to a separate fuel surcharge, and that Mr. Whiteside appears to be erroneously comparing BNSF's prior base rates (without including the fuel surcharge component) to BNSF's new all-in rates in declaring that BNSF has undertaken the "largest freight rate increases in wheat freight rates in recent history."

Respectfully submitted,



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