

Question Set

All Railroad Group Members:

1. Equipment resources:
 - # locomotives – total, available/in service, in storage.
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service.
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service.
 - # crews available in grain region(s) to support harvest demand surge.
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running.
 - # shuttle trains or UGT anticipated to operate during harvest peak.
4. Car and train velocity
5. Car trip plan compliance measure
6. Current PTC status – degree of required implementation completed
7. Expected capital expenditures

Additional Metrics from Class I Railroad Members:

1. Total Employee Count, including Train and Engine details and trends with YOY as a comparison
2. Employees added October 2021 to present
3. Employees separated October 2021 to present
4. Grain car backlog, if any
5. Dwell at origin for grain compared to this time last year

Responses

BNSF -----

- 1. Equipment resources
 - a. Locomotives Total 5,475
 - In service 5,275 Includes 70 new leased
 - Other/Storage 200
 - b. Grain cars Total 32,000
 - Active 29,932
 - Stored 2,068
 - In unit service 22,779
 - In single car service 9,221
- 2. Labor resources Total TYE 14,440
 - 2022 TYE Hiring Plan 1,776
 - 2022 Hired YTD 758
- 3. Train assemblies
 - Shuttles in service 133
 - At harvest peak 163
- 4. Car and train velocity
 - Single car Turns per Month 1.0
 - Shuttle Turns per Month 2.5
 - PNW shuttle Turns per Month 2.8
- 6. Current PTC status - % complete 100
- 7. Expected capital expenditures 2022 \$3.55 B
 - Maintenance \$2.71 B
 - Expansion and Efficiency \$580 M
 - Equipment \$259 M

Additional Metrics from Class I Railroad Members:

- 1. Total employee count 35,429
- 2. Employees added October 2021 vs. July 2022 -202
- 4. Grain car past dues Total 1,304 Days late 6
- 5. Unit train dwell at origin YOY 2022 Aug vs 2021 Aug +3 hours

Canadian National -----

Canadian National Railway Company, on behalf of its U.S. rail subsidiaries – report to National Grain Car Council August 2022

Equipment Resources:

CN had an inventory of approximately 1,925 high- and mid-horsepower locomotives as of mid-August 2022, compared to approximately 1,925 high- and mid-horsepower locomotives at the same time last year. The locomotive fleet will grow to approximately 1,950 high- and mid-horsepower locomotives once CN completes taking delivery of the 57 high-horsepower locomotives it acquired this year, of which 47 are expected to be operating on the CN network this fall and 10 are expected to be operating on the CN network in Q1 2023. As of mid-August 2022, CN had approximately 35 high- and mid-horsepower locomotives in storage compared to approximately 250 high- and mid-horsepower locomotives in storage at the same time last year.

As of mid-August 2022, the CN-owned and leased grain hopper car fleet stood at approximately 12,700 hopper cars, of which 1,500 hopper cars were dedicated primarily to US grain service. These cars are made available for manifest and unit train service. As of mid-August 2022, CN's active hopper car fleet focused on grain service in the US stood at approximately 1,200 cars and approximately 300 cars were in storage. Most of the active CN hopper car fleet focused primarily in US grain service fleet was dedicated to manifest traffic.

Labor Resources – Train and Engine Service:

As of mid-July 2022, total reported number of T&E employed by CN in the United States stood at approximately 2,450, of which approximately 2,230 were working in active service (as opposed to completing training courses). Of the total T&E employees, 789 were in the Central Division, 894 were in the Midwest Division, and 767 were in the Gulf Division.

As of mid-July 2022, total reported employees added was 160, and total employees furloughed and available for recall was 7.

As of mid-July 2022, CN's reported total employee count in the U.S. was 6,293 (with 2,450 T&E). In October 2021, the total employee count was 6,168 (with 2,257 T&E). In July 2021, that number was 6,266 (with 2,240 T&E). From October 2021 to July 2022, those numbers show a T&E increase of 193 employees.

CN's retention rate in 2022 for fully trained and in-service T&E employees in the U.S. has been approximately 94.2%, compared to a retention rate in 2021 for the same group of approximately 90.7%. These figures include resignations, terminations and retirements.

As far as new hire statistics, for the weeks of July 4-29, 2022, 28 students entered the Homewood, IL campus. During that same period 37 students successfully completed campus requirements and were released to their home terminal for continued on-site training. CN currently has approximately 200 active trainees.

Train Assemblies:

The number of CN-supplied unit trains expected to run this fall in grain service in the US will be dependent on customer demand. Customers can secure unit trains through CN's car auction, by placing general orders for CN-supplied equipment, or by utilizing customer-committed system sets.

Coming into the week of August 22, 2022, CN expected to have approximately 100 cars' worth of unfulfilled demand for CN-supplied hoppers from the previous week. For the week of August 29, 2022, CN anticipates having no unfulfilled demand for CN-supplied hoppers from the previous week.

Car and Train Velocity:

CN's system-average train speed (reported in the 724 metrics for the week ending August 12, 2022) was 23.7 miles per hour.

Car trip plan compliance:

CN's reported percentage of manifest cars placed within 24 hours of original arrival estimate (for the week ending August 12, 2022) was 83%. The percentage for intermodal was 100%. The percentage for grain unit trains was 95%.

Weekly average dwell at origin for grain unit train shipments (for the week ending August 12, 2022) was 7.6 hours. For the same time last year, it was 8.4 hours.

Current PTC status:

CN's PTC system is fully implemented, with the implementation completed by the deadline of December 31, 2020.

Expected Capital Expenditures

In 2022, CN's capital investment plan is expected to represent approximately 17% of revenue. As is normally the case, a significant portion of CN's investments in 2022 will be dedicated to track maintenance to support safe and efficient operations, including the replacement of rail and ties, bridge improvements, as well as other general track maintenance. In 2022, CN is investing over USD\$485M in

its U.S. network, including the replacement of over 52 miles of rail, replacement of over 495,000 rail ties, and the rebuilding of over 180 road crossing surfaces, along with maintenance work on bridges, culverts, signal systems, and other track infrastructure. Over the past five years, CN's capital investment in the US has amounted to over US\$3.3 billion.

CN plans to take delivery of another 500 high-capacity hopper cars during August 2022 – July 2023. That 500-car order is part of a larger, 3,500 car multi-year hopper car program, which will bring CN's owned high capacity, high efficiency hopper car fleet up to 6,000 cars

Canadian Pacific -----

1. Equipment resources:
 - # locomotives – total, available/in service, in storage.
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service.

For the upcoming crop year, CP plans to make available approximately 1,100 locomotives. Up to 15,500 grain hopper cars will be in service, subject to market demand, available for unit train and manifest movement. Our grain hopper cars are used interchangeably within Canada and the US. This flexibility allows CP to maximize empty spotting at all elevators across our system. A third of the fleet is projected to be utilized in the U.S. We do not discretely assign carloads to unit train vs manifest service, however approximately 70% of our fleet is expected to move in unit train service.

2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service.
 - # crews available in grain region(s) to support harvest demand surge.

We are hiring 2,500 employees across our network this year. Over 1,000 operations personnel have been hired year-to-date. For the 2022-23 crop year, CP is planning to have approximately 4,000 to 4,200 operations employees deployed across the network, subject to market demand. 1,000 of these employees will be in the U.S.

We have built a robust pipeline of conductor candidates and at any one time, we have 400 – 500 candidates with pre-employment check conditional offers to join CP (subject to successful pre-employment medical fitness assessment and background checks).

On a target of 1,615 conductor hiring for 2022, we have hired 1,088 year to date and retained 837, which is 77%

As of August 15th:

Canada total conductors hired:	805	Total Retained:	607	75%
US total conductors hired:	283	Total Retained:	230	81%
Total conductors hired:	1088	Total Retained:	837	77%

There are no furloughs available for recall in the US (and only 17 in Canada, some of whom are currently being recalled).

In terms of further identifying crews in grain regions, we have looked at key terminals in ND, SD, MN and IA as representative:

Terminal	Active T&E as of Aug 16th:
Minot	65
Enderlin	88
Glenwood	8
Thief River Falls	8
Noyes	32
St. Paul	181
Mason City	48
Marquette	44

3. Train assemblies:

- # shuttle trains or Unit Grain Trains currently running.
- # shuttle trains or UGT anticipated to operate during harvest peak.

During the 2021-22 crop year, CP had over 70 shuttle trains operating during harvest in Canada and the US. This was down significantly from the previous year's peak of 98 shuttles due to the severe drought conditions in Western Canada, and is much lower currently due to low grain stocks.

For new crop, we anticipate over 100 shuttles to operate during the harvest peak.

4. Car and train velocity

Q2 2022 average train speed was 21.7 miles per hour, which is flat YoY (Q2 2021 was 21.8 miles per hour).

CP is averaging over 2 turns monthly per grain train:

<https://prod.stb.gov/reports-data/rail-service-data/>

Weekly average grain train speeds: <https://www.stb.gov/reports-data/rail-service-data/#railroads-tab-content-1-3>

For the week ending Aug 6th grain train speeds were 29.7 miles per hour.

5. Car trip plan compliance measure

CP's grain trip plan compliance for the week ending August 6th was 2.2 average turns against a plan of 2.2 turns.

<https://www.stb.gov/reports-data/rail-service-data/#railroads-tab-content-1-3>

6. Current PTC status – degree of required implementation completed

We have completed PTC installation per federal requirement.

7. Expected capital expenditures

CP is maintaining strong levels of capital investment in 2022. We are planning to invest approximately \$1.55 billion this year, similar to investments in the last four years. Our 2022 capital plan builds on the more than \$14.3 billion of capital investment made by CP between 2012 and 2021.

CP's capital investment over the past decade is 52 percent higher, in 2021 dollars, than it was in the decade prior, before CP adopted the Precision Scheduled Railroading ("PSR") operating model in 2013. The discipline of PSR has allowed CP to invest to expand capacity, enhance resiliency, increase efficiency, and improve safety performance, all of which generates significant benefits for our customers.

Additional Metrics from Class I Railroad Members:

1. Total Employee Count, including Train and Engine details and trends with YOY as a comparison

CP had 12,711 employees at the end of Q2 2022, which is flat YoY (there were 12,709 employees at the end of Q2 2021).

2. Employees added October 2021 to present

3. Employees separated October 2021 to present

See above for YoY employee counts. Attrition as of October 2021 in key U.S. grain terminals noted on page 3 is 46 T&E employees. Overall counts have increased from 466 T&E at these terminals in Oct 2021 to 474 today with projection of 494 by October 2022.

4. Grain car backlog, if any

CP is current on its grain orders. For the week ending Aug 6th, 285 carloads were 1-10 days past due, with zero carloads at 11+ days.

5. Dwell at origin for grain compared to this time last year

Q2 2022 average terminal dwell was 7.6 hours, up 0.8 hours YoY.

Weekly grain dwell figures can be found here: <https://www.stb.gov/reports-data/rail-service-data/>

Grain dwell for week of Aug 10th was 26.1 hours. Last year for the week ending Aug 7th origin grain dwell was 18.8 hours.

CSX -----

1. Equipment resources:
 - # locomotives – total, available/in service, in storage.
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service.
 - *As of August 17, CSX has ~2,400 active locomotives, 400 locomotives stored in a ready-state for immediate service, and 700 locomotives in longer term storage.*
 - *We have over 3,000 covered hopper cars available for unit grain service and single car Merchandise Service. 2,250 of these cars are in unit train service, representing twenty-five C114 90-car sets. 500 C113 cars are active in single-car merchandise movements. There are 150 cars in storage that are readily available and 250 cars that are in deeper storage.*
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service.
 - # crews available in grain region(s) to support harvest demand surge.
 - *~6,800 active T&E employees with less than 20 still furloughed.*
 - *323 conductor trainees in on-the-job training and 182 conductor trainees in our Atlanta training center, and nearly 900 individuals in post-offer processing.*
 - *Overall T&E attrition rate 2022 YTD is 9%, but much higher in employees with less than 1 year of service.*
 - *Hiring is across all locations – to not just backfill where we have shortages now but to get ahead of future growth and attrition.*
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running.
 - # shuttle trains or UGT anticipated to operate during harvest peak.
 - *CSX currently has 50 unit trains running in the grain network. This includes 25 CSX sets and 25 foreign or private sets.*
 - *CSX expects to operate approximately 55-65 unit grain trains on our network at the peak of this harvest.*
4. Car and train velocity
 - *Grain train velocity month-to-date August 2022 is 19.7 mph, versus 20.7 mph in August of 2021*
5. Car trip plan compliance measure
 - *Grain train on-time arrival within 24 hours month-to-date August 2022 sits at 85%, versus 91% in August of 2021*
6. Current PTC status – degree of required implementation completed
 - *CSX successfully completed PTC installation and activation across our network. In 2020, CSX achieved full interoperable operations with its tenant railroads in advance of the December 31, 2020 deadline. We now operate nearly 13,000 PTC-equipped track miles across our network.*
 - *CSX invested a total of \$2.4B on PTC installation and implementation.*
 - *The company has equipped 1,800 locomotives with PTC, installed 423 new radio towers and over 4,400 track-side communication units.*
7. Expected capital expenditures
 - *In 2021, CSX invested \$1.76B in capital expenditures, including capital investments in our core track network of \$853M.*
 - *As guided externally, 2022 capital expenditures are expected to be ~\$2B.*
 - *No capital programs are expected to impact grain operations during harvest.*

Additional Metrics from Class I Railroad Members:

1. Total Employee Count, including Train and Engine details and trends with YOY as a comparison
 - *Per CSX's July employment report to STB, the mid-month number of employees was 17,552, including 7,089 total train & engine employees. This T&E number is not the same as "active" numbers reported in previous section.*
 - *Total employees are up 2.9% versus July 2021, and T&E employees are up 6.8% versus July 2021.*
2. Employees added October 2021 to present
 - *CSX has hired 2,313 employees since October 1, 2021. Of that total, 2,215 were in operations and 1,602 were conductors.*
3. Employees separated October 2021 to present
 - *CSX has separated 2,049 employees since October 1, 2021. Of that total, 1,788 were in operations and 901 were conductors.*
4. Grain car backlog, if any
 - *n/a*
5. Dwell at origin for grain compared to this time last year
 - *Dwell time at origin for unit grain trains is 40.1 hours month-to-date August 2022, as compared to 12.9 hours in August 2021. Dwell time at origin has been trending downward for three straight months.*

Kansas City Southern -----

1. Equipment resources:
 - # locomotives – total, available/in service, in storage. 1,006 total locomotives with 136 in storage (95 surge and 41 long term) These numbers represent a combined US/Mexico cross border locomotive fleet.
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service. 5,568 total cars – all active. Currently 3,200 in unit train service and 2,368 in non-unit service
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service.

1,261 total T&E personnel – (from July STB Form C) We have a new training class started with 43 conductor candidates currently. We have another class scheduled to start in November with 40+. Conductors will work territories between E St. Louis and Shreveport once they complete training. We plan to train +/- 45 engineers from the ranks of the conductors starting in September. Crew availability was 89%+ last month.

 - # crews available in grain region(s) to support harvest demand surge. 844
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running. 32
 - # shuttle trains or UGT anticipated to operate during harvest peak. 43

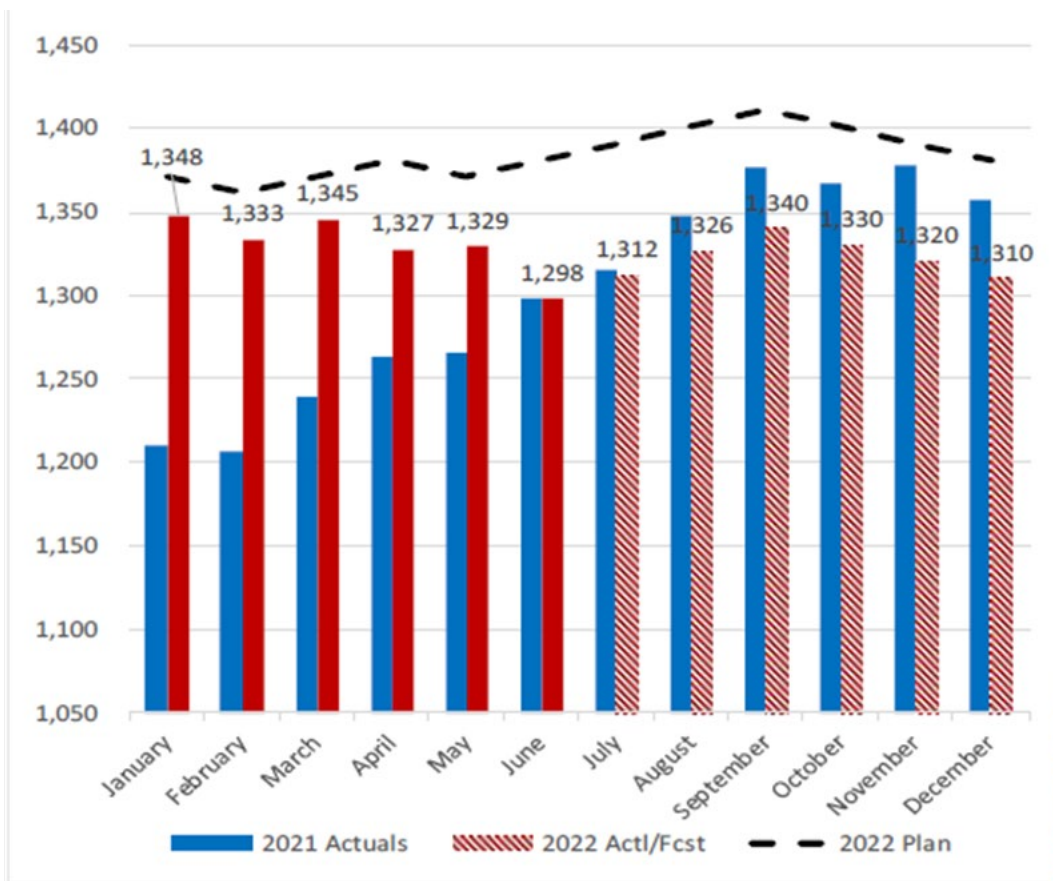
While KCS does operate a unit train network we do not necessarily run dedicated shuttle trains. A train billed by one customer, when made empty could be sent to another customer to load based on locations, available elevators or UP and BNSF availability on the north end of our railroad. We distribute trains in what we feel will keep our network the most fluid and yet still cover customer demand.
4. Car and train velocity 15.54 YTD
5. Car trip plan compliance measure YTD (7/31) we are performing at 90.9% for Grain unit trains. This measure is on-time plus 24 hours. For all KCS business we are at 86.34%.

As a point of reference, grain unit trains have averaged 92% on-time plus 24 hours looking at the last 10 weeks. We are currently performing slightly better than our YTD average.

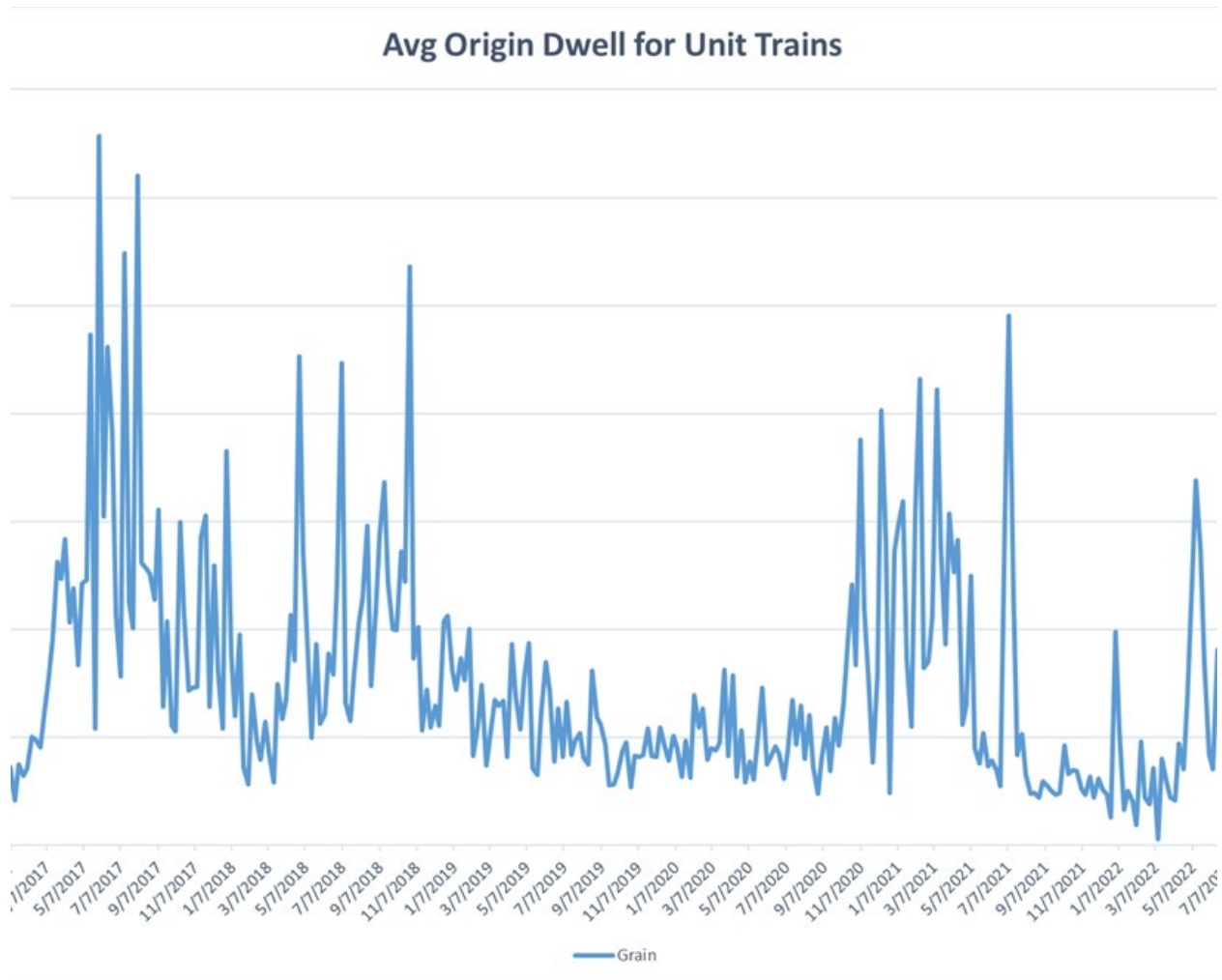
- 6. Current PTC status – degree of required implementation completed 100%
- 7. Expected capital expenditures all capital projects in 2022 are located on our primary grain route.
 - New Berry siding – Laredo sub
 - Hebronville siding extension
 - New Milagro siding
 - KN switching lead extension

Additional Metrics

- 1. Total Employee Count, including Train and Engine details and trends with YOY as a comparison - - The graph below represents Total Transportation Employee count including Train and Engine personnel for 2022 versus 2021.



- 2. Employees added October 2021 to present 180
- 3. Employees separated October 2021 to present 211 (51 engineers)
- 4. Grain car backlog, if any 235 Cars
- 5. Dwell at origin for grain compared to this time last year Origin dwell - .86 days in 2021 and .77 days in 2022 YTD. The lines on the graph represent 20 hour intervals.



Norfolk-Southern -----

1. **Equipment resources:**
 - **Locomotives**
 - Total = 3,187
 - Available/in service = 2,585
 - In storage = 70 (stored ready)
 - **Grain cars**
 - Fleet total = 2,924
 - Active = 2,428
 - In storage = 496
 - Unit service = 2,691
 - Manifest service = 234
2. **Labor resources – Train and Engine Service:**
 - Total T&E service = 7,236
 - Hirings = 271 (month of July)
 - Furloughed and available for recall = 18
 - In training = 863
 - Retention rate of employees fully trained and placed in service = 92%

- Crews available in grain region(s) to support harvest demand surge
 - Chattanooga, Cincinnati, Frankfort, New Orleans and Decatur: appropriately staffed for near-term demand
 - Muncie, Columbus and Fort Wayne: minimally staffed for near-term demand
 - Peru, Roanoke, Altoona: not currently staffed appropriately
3. **Train assemblies:**
 - Shuttle trains or Unit Grain Trains currently running = 87 loadings per month
 - Shuttle trains or UGT anticipated to operate during harvest peak = 100 loadings per month
 4. **Car and train velocity**
 - a. AAR Terminal Dwell = 26.2 hours (week ending August 12, 2022)
 - b. AAR Train Speed = 18.6 mph (week ending August 12, 2022)
 5. **Car trip plan compliance measure:** 63.2% delivered within 24 hours of original ETA (week ending August 12, 2022)
 6. **Current PTC status – degree of required implementation completed:** NS was fully interoperable by 12/31/2020 as required by statute
 7. **Expected capital expenditures:** NS continues to invest in our network to drive Service, Productivity, and Growth. In 2022, NS expects Capital Expenditures of \$1.8b-\$1.9b

Additional Metrics from Class I Railroad Members:

1. **Total Employee Count, including Train and Engine details and trends with YOY as a comparison**
 - July 2021 = 7,588 T&E (including CTs)
 - July 2022 = 8,080 T&E (including CTs)
2. **Employees added October 2021 to present:** Added since October 2021 = 2,763
3. **Employees separated October 2021 to present:** Separations since October 2021 = 1,890
4. **Grain car backlog, if any:** None
5. **Dwell at origin for grain compared to this time last year:** 2022 = 46.5 hours (4 week average) vs 2021 = 34.3 hours (4 week average)

Genesee & Wyoming -----

Reporting six (6) grain railroads:

RCPE, KYLE, TPW, IORY, MNA & HESR

1. **Equipment resources:**
 - # Locomotives
 - total, available/in service = 153
 - in storage = 0
 - # Grain cars
 - fleet total= 4111
 - # active = 3,952
 - # In storage =0
 - # Unit service = 0
 - # Manifest service = 3,952.
2. **Labor resources – Train and Engine Service:**
 - # Total T&E service= 269
 - # hirings = 16
 - # Furloughed and available for recall = 0
 - # In training = 17

- the retention rate of employees fully trained and placed in service- normal retention rates around 80%
 - # Crews available in grain region(s) to support harvest demand surge = 143
3. Train assemblies:
 - # Shuttle trains or Unit Grain Trains currently running- supplied by Class I's
 - # shuttle trains or UGT anticipated to operate during harvest peak. = supplied by Class I's
 4. Car and train velocity 24-48 hours for shuttle trains
 5. Car trip plan compliance measure -We work with our Class I partners to comply with unit train programs.
 6. Current PTC status – degree of required implementation completed – fully compliant where required.
 7. Expected capital expenditures
 - KYLE bridge work completed for 286 capabilities
 - 2023 RAISE Grant RCPE will improve track speeds for grain shippers and 286 capabilities.

Iowa Interstate Railroad -----

1. Equipment resources:
 - # locomotives – total, available/in service, in storage. **33 available/3 in storage**
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service. **456 IAIS/ATW hoppers, all active**
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service. **95 total employees, hiring 10 in October, none furloughed**
 - # crews available in grain region(s) to support harvest demand surge. **80**
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running. **N/A**
 - # shuttle trains or UGT anticipated to operate during harvest peak. **N/A**
4. Car and train velocity: **Dependent upon Shipper/Consignee loading/unloading time. Typically 2 days transit from Council Bluffs, IA to Chicago or Peoria, IL**
5. Car trip plan compliance measure **Dwell Reports**
6. Current PTC status – degree of required implementation completed. **Fully Operational as a tenant railroad when operating on Metra in Chicago.**
7. Expected capital expenditures- **2022 IAIS Capital plan includes installation of 26,000 ties, 3 bridge replacements and 3 new tracks in our Silvis, IL yard.**

Iowa Northern Railway -----

1. Equipment resources:
 - # locomotives – total, available/in service, in storage.
 - o IANR currently 27 locomotives in our fleet. Locomotive service is route in nature, with no extraneous conditions for bad order status
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service.
 - o 380 active manifest grain cars. Pre-arranged unit train service is available.
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service.
 - o 27 active T&E, with 9 students in training now. Approx 25% of active employees have 5+ years seniority. We have zero furloughed.
 - # crews available in grain region(s) to support harvest demand surge.
 - o All crews support harvest demand surge
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running. One
 - # shuttle trains or UGT anticipated to operate during harvest peak. None
4. Car and train velocity
 - o Velocity has remained consistent, flushing our system every 24-36 hours. Dwell has increased at interchange with all interchanges.
5. Car trip plan compliance measure N/A
6. Current PTC status – degree of required implementation completed
 - o 100% completed at approx. cost of \$3M, with ongoing support expenses of nearly \$700,000/annually
7. Expected capital expenditures
 - o Approx. \$4M in capex for 2023

Montana Rail Link (MRL) -----

National Grain Car Council Report

August 25, 2022

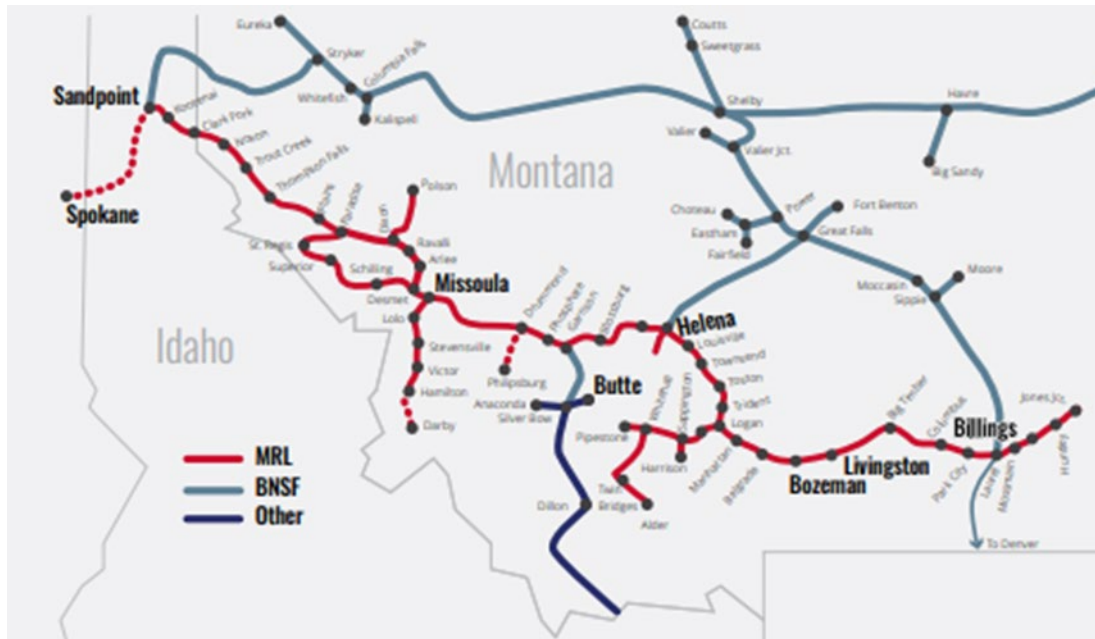
MRL is a class II regional railroad that operates over 900 miles of track in Montana and Idaho, including 655 miles of mainline track from Jones Junction, MT to Sandpoint, ID. In 2021, MRL shipped 413,123 total carloads and averaged 18.4% trains-per-day. 85,416 carloads, or approximately 20.7%, of our total volume was grain, down from 111,066 carloads in 2020 and 23.7% volume. Of the 2021 total, 6,359 carloads were originating traffic from MRL based agricultural shippers. MRL services 21 local grain shippers located in Eastern and South-Central Montana. The majority of grain shipped across our line is corn and soybeans that originate in the Midwest. Train velocity and terminal dwell have remained consistently below goal for the past three years. MRL has not implemented PSR.

MRL currently operates 71 locomotives. MRL owns 445 railcars, of which 106 are grain cars. MRL does not own any unit trains. We transport BNSF unit trains across our network. MRL employee count is currently 1,058, of this total, 487 are transportation employees. MRL

currently does not have any transportation employees furloughed and has three classes of switchman hired consisting of 42 new employees.

MRL's 2022 maintenance capital plan totals \$40.5 Million and includes the replacement of 121,639 ties, 9.7 miles of curve rail, 8.5 miles of tangent rail and 265 miles of ballast surfacing. MRL is also investing \$64 Million to voluntarily install PTC.

MRL stands ready to provide safe and reliable service to our Montana and regional grain shippers during the 2022 harvest.



Nebraska Central Railroad -----

1. Equipment resources:
 - # Locomotives – total, available/in service, in storage. **20 in service/7 in storage status. However, run through Class I power is used exclusively for shuttle and unit trains.**
 - # grain cars – fleet total, # active, # in storage, # unit service, # manifest service. **All grain cars are supplied by our Class I connection.**
2. Labor resources – Train and Engine Service:
 - # total T&E service, # hirings, # furloughed and available for recall, # in training, the retention rate of employees fully trained and placed in service. **23 employees in active train service/ 1 person hired this year/ nobody on furlough/nobody in training as we speak/no data available on retention rates.**
 - # crews available in grain region(s) to support harvest demand surge. **23 employees in train service.**
3. Train assemblies:
 - # shuttle trains or Unit Grain Trains currently running. **Per customer demand with no S/L limitation**

- # shuttle trains or UGT anticipated to operate during harvest peak. **Expect to run at least 40 - 50 shuttle/unit trains in the October – November time slot. This does not include ethanol unit trains or other manifest service. This is consistent with 2020 & 2021 volumes.**
4. Car and train velocity in **2022 YTD short line performance:**
 5. **Interchange to spot – range 3.76* hours to 9.4* hours**
Customer time: Range 12.23 hours to 15.05 hours
Release to Interchange: Range 9.88* hours to 67.2 hours*
 - *** Above heavily influenced by Class I run through locomotive issues and railcar issues, Class I crew availability or Class I corridor fluidity issues which may include destination customers trying to balance their own logistical flow.**
 6. Car trip plan compliance measure **Our goal is to turn a shuttle train in 24 hours from received in interchange to delivery back to interchange which includes customer loading time.**
 7. Current PTC status – degree of required implementation completed **PTC implemented in 2019**

Expected capital expenditures **We are still actively discussing that issue in house so that particular number is a moving target. However, we will be maintaining FRA Class 2 conditions per previous years.**

Watco -----

Locomotives

Total Locomotives in Fleet = 588

- Total Available today = 528
- Total in Storage = 46
- Total in Surge Fleet = 14
 - Additional note – we have just completed the purchase of 10 more GP-59's that we expect to rotate into service over the next 4-6 mos.

Grain Cars

Total Cars in Grain Fleet = 2,982

- All in manifest and all active
- Utilizing Class 1 equipment for unit trains
- Zero in storage
 - Current Velocity (ALL ROADS)
 - 1.87 days from inbound interchange to placement
 - 2.27 days from customer release to interchange outbound

PTC

- PTC Compliant at all required locations

Capital

- YTD July Capital Spend = \$22m
 - Expected to spend a total \$50.7m by year's end
 - One other note – Watco has budgeted an additional \$45m to do a complete upgrade of the South Kansas & Oklahoma Railroad to make it 286k compliant by Q3 of 2023 to

support a new Soy Bean Crush Facility that is being constructed. This location has connectivity to the UP, BNSF and KCS.

Manpower

- Total T&E in Service = 826
 - Total open T&E Positions = 59
 - Total T&E in Training = 61
 - T&E Turnover Rate = 37% thru July