Utility Perspective

- Inventory Updates / Challenges
- Railroad Challenges / Affects
- On Time Performance Survey / Concerns
The percentage of Utilities with days of inventory with 30 days or less continues to grow.
Hiring continues to remain relatively flat for Train and Engine employees

Sources
https://www.stb.gov/reports-data/economic-data/
Two-Year Trends Avg Train Velocity
Four Class I Railroads

Decrease Velocity of 7% Y/Y. Terminal dwell up 8% on four week basis.
NCTA/FRCA/NRECA On Time Performance Survey July-Dec 2021

- NCTA/FRCA/NRECA: OTP Survey Data Collected since Aug 2019 to Dec 2021- 6 month periods
- 28 Plants Reported Shipper Perspective Railroad Performance Data
- 92% reported Rail Service Issues have impacted utility operations
- 60% reported Rail Service worse than it was in 2019 and 2020
- 64% reported modifying operations in 2021 due to Rail Service
- Railroads Serving Plants Reported:
  - BNSF, UPRR, NS, Multi-RR
- Four Coal Supply Regions - Mine Sources Reported:
  - SPRB, NPRB, Rockies, NAPP, ILB
Shipper Trainload Monthly Nominations Received
Jan-Dec 2021

Monthly Trainload Nominations Received
"Yes or No" Jan-Dec 2021

[Bar chart showing monthly nominations per month with colors for "Yes" and "No" nominations]
28 Plants responded how RR service issues have impacted operations

In what way have your operations been impacted by RR service issues?

- No issues. Service has been about the same as usual
- Railroad service has been deteriorating for several months
- Coal inventory stockpiles reduced below target levels
- Coal Unit curtailment efforts were necessary to conserve coal supply
- Coal supply commitments for the year were not met
- Rail car maintenance was impacted to loss of time
- Force Majeure declared
- Restricted from adding more train sets by the railroads
- Train sets had to be parked as mandated by the railroads
- Additional trains or leases were necessary to make up deliveries
- Other (please specify)
Shipper Quotes and Concerns

- “...Railroads seem to be worried about velocity and reducing set count on their systems...”
- “… the railroad elected to park half of my rail fleet...”
- “Service issues related to locomotive power problems and lack of crews have been ongoing for several months”
- “Lack of crews may be the biggest issue, our railroad will leave an unloaded train on our site for up to 2-3 days until another set is unloaded, then they send a crew to double the trains and depart”
- “…our communication with the railroads was great. They were all forthcoming with their challenges...”
- “Communication (with the Railroads) was terrible”
- “Increased bunching of trains caused us to incur costs to add coal to our stockpile...”
- “All 4 major providers had issues with crews, power and communication in 2021...”
- “Reduction in employees that worked the 24 hour desks resulted in terrible communication and lack of crews kept trains sitting”
Questions / Discussion