Train crew lineup accuracy: Another Best Way

A new project being implemented by Crew Management will allow TY&E employees to see lineups that project their on-duty time based on employee events and manpower. The process is simpler than the current system and enables crews to better plan away-from-work time.

Executive roundup: Thoughts on navigating 2009 challenges

What do the current economy and the changing political landscape mean to our company, and how are we planning and reacting? The members of BNSF’s executive team discuss their perspective on the year ahead.

A call to attention: A BNSF safety update

Mark Schulze, vice president, Safety, Training and Operations Support, gives an update on the state of safety at BNSF and provides best practices to help BNSF achieve its safety vision in 2009.

BNSF marks are in: Grade-crossing safety improved in 2008

BNSF reduced its highway-railroad accident/incident rate by more than 13 percent from 2007, once again making it a leader in highway-railroad grade-crossing safety. For several years, highway-rail collisions across the BNSF system have decreased.
ON THE COVER

On a crisp winter day, Signal Inspector Scott Marksbury took this shot between Summit and Marias, Mont., on the Hi-line Subdivision.

Matthew K. Rose
BNSF Chairman, President and CEO

We are living in extraordinary times, as the global recession continues to impact our nation, our customers, our company and our people. Our thoughts are with our nation’s leaders while they consider the best ways to respond to the challenges ahead.

We now know that the recession started in December of 2007, and it is uncertain how much longer it will last. Since we carefully manage our expenses and debt during favorable markets, BNSF is well-positioned to weather this downturn, but we are not immune to influence. Volumes are down, and we are taking the prudent steps of cutting expenses, including furloughs and exempt salary freezes, to better align with business needs.

We are focused on properly running the railroad through the recession into the recovery. I have faith in our company’s ability to respond to these challenging days. As you’ll see in the enclosed DVD, “2008: A Historic Year,” the strength and resilience of our people carry us through, in good times as well as in tough times. I am optimistic about the future of our company because I’ve seen what we can achieve together.

The BNSF executive team is reviewing what the current economy and the changing political landscape might mean to our company, and we are confident in our ability to plan and react. In the pages that follow, each member of our BNSF executive team discusses his or her perspective on the economy and the year ahead. I hope you find that their comments help to put our responses to current economic conditions into perspective and allow you to better align your efforts with business needs.

I am tremendously proud of how you respond to each challenge with the common vision of meeting our customers’ expectations. That united focus is what makes BNSF strong.

Tom Hund
Executive Vice President and Chief Financial Officer

Q
How are the recession and business environment affecting BNSF?

First, the recession is having a financial impact on BNSF, but it’s not as dramatic as it has been on many other companies and industries because we’ve been very careful about how we’ve managed our company. We have been careful to maintain an Investment Grade rating and have not allowed a significant amount of debt to mature in any one year. So, from a financial perspective, we’ve been able to continue to borrow, and the biggest impact has been on the cost of borrowing funds. To put this in perspective, we recently borrowed at 7 percent. Six months ago we would have gotten a rate below 6 percent. But in comparison, a noninvestment grade transportation company recently had to pay more than 16 percent.

The greater impact is on our volumes. We have seen a significant decline in carloads/units handled since November. That decline has continued into the first quarter. For a company to be successful, you need to have improvements in volume, yields and efficiency. When you only improve on two of the three, your earnings and cash flow eventually suffer. If volumes do not recover, 2009 will be a challenging year for BNSF and many companies.

Fortunately, we have prepared ourselves for times like this.
Q: How is BNSF preparing for the year ahead?
We’ve always taken a conservative approach to spending money, but we’re going to bring additional scrutiny to our spending this year. On a broad company level, for instance, we will reduce our capital spending and may scale back our share repurchase program, all driving at preserving flexibility and liquidity. Across just about all areas you’re going to see greater scrutiny on spending.

We’ll need to be nimble in responding as the year unfolds, especially since we don’t know how long the economy will be down. We will reduce spending, but we also want to keep our company strong. It’s about maintaining a proper balance. That’s our responsibility to our shareholders. There’s as much art as science to it.

Q: Why is it important for BNSF to continue to achieve an acceptable return on invested capital in this economy?
Achieving acceptable returns is always important, especially in the rail industry because our assets are so long-lived. When we invest in new locomotives, we essentially need to justify that investment over the life of that locomotive, which may be 20 or more years. The same thing applies to new track or new yards or any other facility investments, many of which can have a life of 30 or more years. When you have a down year, as it appears we’re facing now, you’d better make sure that the investment earns a proper return over its life, or shareholders will not allow future investment.

Q: Please comment on BNSF’s safety performance in 2008 and goals for 2009.
The loss of our colleagues Mr. Vega and Mr. Agnew, who were fatally injured in 2008, overshadows anything else we could say about our safety performance. In the early weeks of 2009, two more of our co-workers were fatally injured, Mr. Noice and Mr. Benally. Then in early February, Mr. Wilcox was fatally injured. These losses are staggering. We must honor the memory of our colleagues, while also re-dedicating ourselves to remaining attentive and focused on the task at hand.

We clearly have more work to do in safety. However, I believe that we have established a strong foundation and, over the past few years, have made a number of improvements that help us do a better job of eliminating at-risk behavior and reducing variability in our safety performance. Going forward, I believe we will continue to see improvements in safety because we have the right safety processes in place.

Q: Given the economy, is BNSF changing its operational focus for 2009?
The answer is yes…and no. Our basic strategy today for running a safe and efficient railroad hasn’t really changed. As always, we are focused on safety, service, cost control and asset utilization. From day to day, we always adjust our operation in response to volume and demand. Of course, despite all that, today we’re facing an entirely unique set of circumstances. We are using the same processes to plan our operation, but the outcome is more dramatic, given the significant decline in volumes and the severity of the economic recession. We’re running fewer trains; we’re putting locomotives and railcars into storage; we’re tightly controlling spending and hiring; and we’re looking for other efficiencies in our operation. And, unfortunately, we’ve had to furlough some of our employees. Furloughs aren’t anything new to us or to the rail industry overall, but after several years of record volume increases, we are now being forced by business levels to furlough some of our people.

Because we’ve been conservative about how we’ve managed the business all along, the impact of these changes isn’t as great as it could have been. But we all are feeling the impact.

Q: How does the economy impact our plans for capital spending?
We’re cutting back significantly on expansion capital, except for a couple of key projects where we’ve already made commitments, including Abo Canyon. But we’re continuing to spend money to maintain the safety and efficiency of our infrastructure and equipment so that we’re ready with a strong railroad when business levels start to pick up.

Q: Are customer needs and expectations changing in the current environment?
As customers deal with their individual circumstances, one constant remains: the need for superior service. For example, some customers are reducing inventories in order to help manage costs. They need reliable and consistent service to make sure they do not run out of inventory. Customers are also asking us to work with them to identify ways to help them reduce their transportation costs. Initiatives such as AIM and Best Way are more critical than ever as we work with our customers during these difficult times.

Q: What kinds of shifts may we see in the types of business we’re handling?
During 2008 we saw significant decreases in the number of containerized imports to the West Coast due to falling demand from U.S. consumers, which affected our Consumer Products business unit. We also saw a significant reduction in volume in our Industrial Products and Agricultural Products business units after the financial crisis became widespread in the fall. As the prices of many commodities fell, a number of our Industrial and Ag customers were significantly affected. The performance of our Coal business unit bucked the general economic trends as we continued to set records for tonnage shipped throughout the year. As we enter 2009, the U.S. consumer is critical to the eventual economic recovery. When families are able to buy houses, cars and other products again, it will be a clear sign the economy is rebounding.

Q: Is the recession creating political issues in the states in which we operate?
The recession is changing the dynamics in the communities in which we operate. More and more, state governments are recognizing the importance of a healthy freight rail system and the value we bring to their local economies. On the flip side, if local companies are stressed and they view rail as a challenge to the health of those companies, the recession could exacerbate those feelings. Increasingly, communities are realizing the value of freight rail and that their success is tied to our success.

Even in these difficult times, we will continue to be a good corporate citizen and will look to how we can demonstrate our commitment to the communities in which
we operate. For example, over the holidays, BNSF hosted a series of business car events in the Upper Midwest to pay tribute to the men and women of the armed forces and their families. In addition to providing these families with an opportunity to spend time together on our business cars, the BNSF Foundation made charitable contributions to nine not-for-profit organizations that assist military families in their states. We are a permanent part of these communities. The recession is temporary. We need to remember that and operate in a manner consistent with our Vision and Values. And our employees can help. It is more important than ever for us to remember our Vision and Values, and respect, trust and openly communicate with community members. Our employees already do a great job with this. As I meet with state legislators, community members and business leaders, I am reminded of how well BNSF employees represent our company in their communities.

What impact can good public policy decisions have on the rail industry?

It is more important now than ever that public policy decisions support continued investment for the long-term health of our nation’s infrastructure.

There are a couple of items before Congress that will help ensure that railroads will have enough capacity to move the products that our nation needs while lessening our environmental impact. First, maintaining reasonable regulatory policies has a greater impact than any other rail-related policy decision Congress can make. Re-regulating railroads will drive capital out of this industry; maintaining a balanced regulatory approach will make continued investment possible. That’s the choice before Congress. Other policies, like an investment tax credit or a freight program that funds the public’s share of rail public-private partnerships, would be excellent policies for Congress to pursue in light of our industry’s ability to create jobs, support economic activity and provide sustainable transportation. But if the wrong economic policy is put in place, the public will not be able to back-fill the loss of investment, even with public policies that provide freight rail policy grant or investment incentives.

How can labor and railroads work together at the federal policy level to ensure the health of our industry?

The voice of our employees is one of the most important means we have of communicating with Congress. First, our employees need to educate themselves on the issues that will impact this industry. They need to understand how proposals that can harm our nation’s rail infrastructure will be bad for our employees and be willing to write their Congressman or otherwise communicate to Washington in opposition of policies that harm them. They also need to work with their union leadership to encourage them to join in the efforts against legislation that hurts the company and its ability to grow. It’s very fair to say that there is nothing in any of the re-regulation proposals we’ve seen that would be good for a single railroad employee.

In fact, there are ways that we can work together in support of the policies that expand capacity and, therefore, grow U.S. freight rail jobs. For example, the Department of Commerce indicates that every dollar of freight rail infrastructure investment that would be stimulated by investment tax incentives would generate more than $3 in total economic output because of the investment, purchases and employment occurring among upstream suppliers. An investment of $300 million in additional freight rail capacity could result in nearly $1 billion in overall economic stimulus and more than 20,000 jobs.

In recognition of the policy opportunities that may exist in Congress, the freight rail industry has joined up with the passenger rail sector and the environmental community to form a coalition called “OneRail.” It supports the objectives of those who agree that the benefits of rail are substantial. It has its origins in the recommendations of the National Surface Transportation Policy and Revenue Study Commission on which Matt Rose served. The Commission found that the two elements of rail—freight and passenger—are interdependent in today’s policy, political and economic environment. OneRail essentially stands for the idea that Washington shouldn’t ignore this important means of reducing highway wear and tear, car and truck emissions, and vehicular congestion. These are things railroaders have always known. Therefore, they can be important advocates in upcoming debates not just on re-regulation and surface transportation policy, but also on greenhouse gas and energy independence issues.

The track record shows that when railroads and their employees are unified in a message to Congress, we can succeed. The process of working together is a positive one, not only for protecting the health and interests of our industry, but also for everyone involved.

How will BNSF approach hiring and training, given the challenges of 2009, and what other challenges do our leaders face this year?

BNSF’s commitment to our people and their development will remain strong in 2009, as always. While we have curtailed...
spending in many areas, we continue to invest in people development through our annual People Leader Training, mentoring, tuition reimbursement, job posting and other forms of job-related development. This continued investment in our people is consistent with our belief that teamwork and leadership are critical to successfully managing through the recession and leading in the recovery.

We have significantly scaled back on our hiring plans at both salaried and scheduled levels, and all new hire and replacement positions must be approved at senior levels. This scrutiny enables us to control costs and supports job security for our existing employees.

Despite a reduced hiring opportunity, we continue our commitment to diversity in 2009. Our focus will be more internal, emphasizing our culture of inclusion and respect. This focus is consistent with our 2009 People Leader Training theme of Model the Way. As a company, we will be drawing on our Model the Way characteristics of trust, competence, openness, integrity; respect for others; and our ability to see work as an adventure and enjoy the journey as we navigate the “whitewater” of 2009.

Q: How can technology help BNSF gain further efficiencies in 2009, and are we rolling out any new major initiatives this year?

The Technology Services (TS) team implements and maintains business applications and real-time communications. We design applications that will improve our business processes and position us for the future. We leverage communications technology for anytime, anywhere connectivity.

We are supporting Operations in the deployment of cutting-edge applications such as ETMS – the Electronic Train Management System – or positive train control. ETMS acts as a safety overlay to reduce the risk of train accidents. ETMS is a technology-based solution dependent upon applications and real-time connectivity across our railroad. Through the use of GPS and wireless transmissions, the application is able to monitor train movements in real-time, warn the crew of unsafe conditions, and brake the train to a safe stop if necessary. TS will be responsible for supporting connectivity and developing back-office applications that manage the required geographic information, establish a common infrastructure for information from the locomotive (e.g., fuel, GPS, emissions, camera health and event recorder) and provide management reporting.

At the heart of our application infrastructure is the Transportation Support System (TSS), a vast storehouse of data that keeps track of all our equipment and employees. An update to the system, TSS Xpress, has streamlined and simplified TSS for the terminals into just over 100 Web-based commands. The new Web-based system is easier to use, automates many functions, saves time and helps new employees to get up to speed faster.

Envision is the project name for the transformation of the legacy Finance, Payroll and Human Resources systems. At midyear, BNSF will implement the new system in place of the legacy systems Millennium and Tesseract. Key benefits include standardized integrated and automated business processes, new enhanced functionality and strategic positioning for the future. (For more information about Envision, see Page 15.)

We have a unique opportunity to benefit from new functionality as we refresh our 25-year-old voice mail infrastructure. This technology is referred to as Unified Communications (UC). UC, which we are branding as BNSF Communicator, merges the functionality of traditional voice mail, e-mail, instant messaging, Outlook calendar, audio conferencing and video conferencing into an easy-to-use, point-and-click communications platform on your computer. BNSF Communicator will simplify these necessary functions and will greatly benefit BNSF because results are better when communication is better.

In Technology Services we are focused on understanding our business operations so we can identify opportunities to leverage technology, resulting in improvements in safety, velocity, business processes and service for our employees, customers, shareholders and the communities in which we operate.

Q: How are short lines being impacted by the economy?

Network Development is a small group within BNSF that teams with all other departments on the strategic development of our rail network and its connections in the United States, Canada and Mexico. We will plan to continue growing BNSF’s business volumes in 2009 with our shortline connections, as we have in 2008 and prior years, especially significant considering our 198 connecting regional and shortline carriers “touch” more than 17 percent of all BNSF revenues. That being said, our shortline partners are being impacted, some more severely than others, because they are dependent on cyclical commodities and by the economic downturn we are all experiencing. They will be focusing with us on business growth and operating efficiency in the year ahead.
Managing STRESS During Difficult Times

Hectic schedules, looming deadlines, New Year’s resolutions, and the constant juggle of work and family responsibilities – who isn’t stressed these days? And now the uncertain economy is adding to our load. According to the American Psychological Association’s (APA) 2008 Stress in America survey, money and the state of the economy are two of the top sources of stress for 80 percent of Americans.

But since we can’t really avoid money or work, how can we reduce the pressures caused by today’s uncertain economy?

“The first thing is to listen to our bodies, watching for warning signs that something isn’t right,” advises Dr. Thomas Pace, assistant vice president and chief medical officer at BNSF. “When we feel overwhelmed, we lose confidence and become irritable or withdrawn. This can make us less productive and effective, and our work less rewarding. If the warning signs of work stress go unattended, they can lead to bigger problems.”

Warning Signs

Beyond interfering with job performance and satisfaction, chronic or intense stress can also lead to physical and emotional health problems. Here are some of the ways that our bodies tell us we may be experiencing stress:

- Headaches, muscle tension, neck or back pain
- Upset stomach
- Dry mouth
- Chest pains, rapid heartbeat
- Difficulty falling or staying asleep
- Fatigue
- Loss of appetite or overeating
- “comfort foods”
- Increased frequency of colds
- Using alcohol or drugs to cope
- Lack of concentration or focus
- Memory problems or forgetfulness
- Jitters
- Irritability
- Short temper
- Anxiety

“Everyone reacts to stress differently, and each body sends out its different set of red flags. Some people may not even feel the physical or emotional warning signs until hours or days of stressful activities,” says Pace. “By noticing how we respond to stress, we can better manage it.

When we react to stress in healthier ways, we can help the body correct itself, reducing the likelihood of chronic, long-term health problems.”

Strategies for Coping

“BNSF understands that today’s world can be stressful, especially given the difficult economy,” says Pace. “Through BNSF’s Your Health Matters program, we offer resources to help relieve the hassles of day-to-day life. One of these is the HealthMedia Relax® stress-management program that provides employees strategies for coping with their unique stress factors by developing an individualized plan.”

To access the Relax program, go online to the BNSF Employee Portal and click on the Wellness site (under the Employee tab) that will take you to Your Health Matters Online Wellness Center (OWC). Here, on the “Take Action” box, find a “Manage Stress” page with a number of helpful tips, including the HealthMedia Relax® stress-management program.

To get started with the Relax program, you will need to complete a short, online questionnaire that will help identify your sources of stress, any symptoms and your current coping techniques. From these, an online stress management plan will be created just for you.

In addition to the Relax program, the OWC offers other helpful articles and tools for managing stress. There is an archive of news articles available on this and numerous other subjects in the BNSF Well-Net archives.

Of course, BNSF’s Employee Assistance Program also provides confidential, professional help when stress impacts your life due to issues such as financial, family, emotional, parenting, legal, work-related or other concerns. Contact an EAP counselor, listed online at http://bnsfweb.bnsf.com/Departments/hr/wellness/ eap.html as well as the OWC. Or call the EAP hotline at (800) 383-2327.

Reach out for support. Accepting help from supportive friends and family can improve your ability to manage stress. If you continue to feel overwhelmed by stress, you may want to talk to a psychologist, who can help you better manage stress and change unhealthy behaviors.
Dear Valued Member of Team BNSF:

During the 60 days from early December through early February, we lost four of our colleagues who were fatally injured on our railroad. We are all significantly affected by the loss of Mr. Agnew, Mr. Noice, Mr. Benally and Mr. Wilcox. I believe we must honor the memory of these fellow employees, as we continue our work together toward achieving a workplace free of accidents and injuries.

Although we are still reviewing the circumstances and contributing factors in these fatal incidents, a few things are clear. First, each one of us must perform a thorough risk assessment before beginning any task. We must also remain alert to changes in our task or our surroundings that will impact our safety, including being attentive to our physical location and track activity in our area.

As a reminder, I encourage you to review these safety practices to help reduce your risk of injury:

- Always use job safety briefings to set your focus for the task. Before beginning any task and whenever conditions change, assess any potential risks. Discuss these potential risks with all members of your work team.
- Be certain that everyone on your work team understands and follows best work practices to complete the task. If you have any questions about how to perform the work safely, stop and ask for assistance.
- It is all too easy to become familiar with the risks you know are there and begin to discount the severe consequences of at-risk behaviors. You must always remain alert and attentive, focused on the task at hand, and never drop your guard.
- If your mind starts to wander from the task at hand, take a moment and consciously readjust your thoughts to the current situation.
- Be aware of any distracting thoughts or concerns that may draw your attention away from the work and affect your safety on the job. If you are unable to keep troublesome thoughts away and believe you may be unsafe on the job, talk with your supervisor.
- Be aware of your surroundings. As you work, remember that conditions can change quickly. Be aware of changes in your environment or in the equipment or people around you, and adjust your own position or activities accordingly. Stop to re-brief whenever conditions or tasks change.
- If a peer leader warns you of a risk or points out a safer approach, you should listen and immediately adjust your behavior. Peer communication is lasting and significant. Heeding a warning from a co-worker can save your life.

At BNSF, we truly believe that all injuries and accidents are preventable, and we are establishing a strong foundation for continued safety improvement. We have a number of processes that target at-risk behavior and reduce variability in our work tasks. Many of these programs have been integrated into the Six Safety Basics, which are the framework for our Safety Action Plans.

But, ultimately, all the safety processes in the world cannot protect us if we put ourselves at risk. Let us each personally make a resolution to work injury-free in 2009.

Sincerely,

Mark Schulze
Vice President, Safety, Training and Operations Support
Working safely on and around track

When an employee is injured working on or adjacent to “live” or operational tracks, the injury can be severe, with the potential to end a career or a life. In fact, emphasizing on-track safety is a vital component of BNSF’s safety program and is so important that all BNSF work groups address the subject as one of their most critical work activities:

- Transportation’s Eight Deadly Decisions focus on “fouling track.”
- Engineering’s Five Critical Decisions stress “track occupancy.”
- Mechanical’s Seven Safety Absolutes emphasize “blue flag protection.”

**Engineering program raises track awareness**

To heighten employee awareness of potential risks, in 2003 BNSF’s Engineering team launched Operation: Track Awareness to eliminate or reduce the likelihood of employees being struck by trains or on-track equipment. “This program emphasizes factors and processes that employees should consider before working near any live track,” says Craig Seery, director, field safety, Engineering. “But knowing the correct rules to apply in the field is only a first step. Employees must commit to following them in every situation and to working and communicating as a team.”

Keith Hunter, safety manager, Engineering, says that it is essential for every employee to assess risk and participate in a quality job safety briefing (JSB) that reviews the appropriate on-track safety procedures for the work or activity being performed. (See Fool of Track checklist, Page 9.) “This gives employees the opportunity to assess potential risks and consider ways to reduce exposure to live tracks, such as working from the field side,” Hunter says.

When field tasks or conditions change, crews must stop, step clear of tracks and re-brief these same items, Hunter says. Re-briefing are especially important following changes in:

- Personnel or equipment
- Job task or assigned duties
- Weather conditions such as fog, snow or heavy thunderstorm
- Ambient light levels or noise levels
- Method of warning
- Minimum separation distance
- Vehicles, equipment or other visual obstructions that may impact sightlines or minimum separation distance

Remaining vigilant also helps reduce potential risk. On the California Division, Engineering employees exhibit a brother’s keeper mentality, says Robert Coronado, safety assistant for the Brotherhood of Maintenance of Way Employees Division (BMWED). He says employees there scan the environment and are aware of crew member locations and equipment. “They are ready to intervene if they see a fellow worker in an unsafe area, and they know to always expect movement at any time, on any track and in either direction,” Coronado says. “That’s a rule we live by.”

**On-track safety tips**

- Before fouling a track, consider whether you actually need to foul the track to perform the job task.
- Mentally focus on the task at hand.
- Expect movement at any time, on any track, in either direction.
- Before the approach of any equipment, retreat to a place of safety, more than 4 feet from the nearest rail.
- Before crossing tracks, boarding or dismounting equipment, look in both directions. If equipment is approaching, yield and wait until the equipment is a safe distance away before proceeding.
- Do not foul the track when walking, talking on a cell phone or radio, or while engaged in an extended conversation.

**Communication assists Transportation and Mechanical employees**

For Transportation employees, fouling track can occur while preparing trains for departure, boarding or dismounting trains, performing work in a yard or switching. Transportation employees should review potential risks of fouling track in their job safety briefings, says Lance Vallone, Montana Division safety manager. “Cab and cross-yard communication is vital, so everyone clearly understands any possible movement of equipment or crews across tracks,” Vallone adds. “Our crews must focus on the task at hand and maintain situational awareness to ensure that everyone goes home safely.”

Mechanical employees also need to maintain situational awareness while inspecting, testing, repairing and servicing railcars and locomotives. Their primary means of protection is by establishing blue signal protection, which controls and prevents movement of equipment while employees work on, under or between equipment. In addition, the Mechanical Policy for Track Protection When Working Yards covers situations involving tight track clearances. The policy instructs employees to identify these areas and take the appropriate precautions to avoid the risk of being struck by movement on an adjacent track, according to Ron Hennessey, safety director, Mechanical. Yard vehicle operators also carry a list of track clearances that shows where they can safely operate their vehicle and where other precautions must be taken, such as locking out an adjacent track or walking.

“Proper planning, risk assessment and vigilance create the safest work environment for all our employees,” says Seery. “All of us should be doing our part to ensure that we and our co-workers arrive home safely.”

---

**U.S. Secretary of Transportation addresses railroad students**

On Dec. 11, Mark Schulze, (r.), vice president, Safety, Training and Operations Support, introduced outgoing Transportation Secretary Mary E. Peters (l.) to a group of students at the National Academy of Railroad Sciences (NARS). Overland Park, Kan. Peters declared that the nation’s transportation system is safer than ever before and urged on the effort to achieve a zero fatality rate in rail, highway and aviation transportation. Peters noted that train accidents have declined in the past three years by 25 percent. Later, she toured the NARS facility, an educational partnership between Johnson County Community College and BNSF to train railroad workers.
BNSF marks are in: Grade-crossing safety improved in 2008

2008 was a safer year for people and vehicles traversing highway-railroad crossings across the BNSF system. According to the Federal Railroad Administration, BNSF’s highway-railroad accident/incident rate decreased 13.5 percent from the 2007 rate through November 2008. The decrease, one of the largest reduction percentages achieved by Class I railroads in that classification, continues a several-year trend for the company.

Highway-rail collisions, employee injuries and pedestrian-trespasser incidents all declined, says Dan Rourke, director, Safety and Rules. For highway-rail collisions, accidents/incidents decreased in every measurable category. “Especially in industrial track collisions, we experienced a significant reduction – 36 percent from 2007,” Rourke says. That helped contribute to a 13-percent decrease in BNSF’s collision rate as measured per million train miles.

During 2008, BNSF also successfully closed 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects. Thirty-four percent of the 451 crossings, slightly surpassing the target goal of 450 for the year, says Lyn Hartley, director, Public Projects.

Additionally, pedestrian-trespasser incidents declined by 18 percent, and pedestrian-trespasser injuries dropped by 26 percent. BNSF has an extensive grade-crossing safety program aimed at motorists, crew and pedestrians that includes:

- Community education and awareness
- Train crew education
- Crossing safety technology
- Crossing resurfacing
- Vegetation control
- Installation of warning devices
- Track/signal inspection and maintenance
- Public and private at-grade crossing closures

Going forward, Hartley says the company plans to continue its at-grade crossing closures and will target 450 closings in 2009.
Crew vans cover a lot of miles — transporting employees from Point A to Point B each year — 70 million to be exact. To help develop “best way” initiatives for crew transportation, BNSF’s Crew Transportation Team (CTT), headed by Todd Nicholson, director, Strategic Sourcing & Supply, is working with a cross-functional team focused on reducing or eliminating injuries. Last year, the team collaborated with Transportation, labor representatives and site safety teams to identify and resolve potential safety hazards involving crew vans. The result: An overall decrease of nearly 10 percent in total crew injuries from 2007. Though nonreportable employee injuries for the year rose 26 percent, reportable injuries were down by 45 percent. “The good news is that by using a cross-functional team, we’re able to more effectively address crew safety, van driver education and vehicle safety,” says Nicholson.

Mapping out pickup points
Site safety teams in many locations last year reviewed and, with CTT help, resolved about 350 crew van issues through the Safety Issue Resolution Process. The Chicago Division further developed a safety hotline for reporting crew van issues. Discussion of these issues led to a weekly division conference call, Lessons Learned. First facilitated by Safety Manager Randy McMahan, the call allowed open discussion of solutions directly with carrier vendors. Jeff Thomas, manager, Field Training, now facilitates the call, identifying best practices. Because of that groundwork, every division now hosts a similar call to handle crew transportation issues.

Additionally, four Chicago Division site teams – Chicago South East (Ill.), Galesburg (Ill.), Fort Madison West (Iowa) and La Crosse (Wis.) – identified 40 standard pickup points in the Chicago area. A detailed “map book” now lists precise directions to each crew staging area, eliminating or reducing wait time. Other Chicago Division site teams, as well as teams on other divisions, have since developed similar maps.

With less wait time, crews are less exposed and less stressed,” says Mike Orlandini, safety coordinator for the United Transportation Union. “The work done by our safety committees and management to improve overall van safety is immeasurable.”

BNSF announces crew transportation safety awards
Each year, BNSF presents awards to divisions that reflect exemplary crew transportation safety performance. For 2008, two divisions received awards for having zero reportable injuries in crew transport:

- Northwest Division
- Southwest Division

The Texas Division was recognized as the most improved division in crew transportation safety.

Picturing safety
Although BNSF and carrier drivers must meet strict driving criteria, the sheer quantity of driving they do makes defensive driving and other good driving habits all the more important. In 2007, the CTT conducted a pilot on 100 vans equipped with a driver safety system (DSS). The DSS monitors van driver behavior through a windshield-mounted video-recording device. It is activated by driver “triggering” events, including sudden acceleration, sudden braking, swerving or impact. If triggered, the system records activity eight seconds before and four seconds after the event. The DSS company downloads the clip and forwards it to the carrier to identify drivers who may need additional safety training.

Two different DSS technologies have been piloted on several divisions, including the Texas, Gulf, Chicago and Powder River. As a result of these pilots, triggering events decreased by 35 percent, lowering the potential for employee injuries. By the end of 2009, all BNSF vans will be equipped with DSSs, and most third-party vans will also have them.

Addressing vehicle safety
Rear-end collisions accounted for the largest number of vehicular incidents last year for BNSF and carrier crew vans. To address that, the CTT added a bold pattern of reflective striping on the rear of vans to increase visibility. The low-cost material is effectively reducing rear-end collisions. During a four-month pilot of 30 vans, none experienced a rear-end collision resulting in injury. Based on results, BNSF will install the reflective striping on all company vans during the first quarter 2009; third-party carriers will make their final evaluations by the end of March.

The CTT also enlisted the aid of site safety teams to conduct annual terminal safety audits. In addition to reviewing crew staging locations, site teams reviewed safety conditions of vehicles, such as seat belts, shoulder straps, and first-aid and emergency-road kits. Because reviewers are local, site team members could quickly resolve concerns with local carrier representatives.

“Local site teams have done a great job with terminal reviews, and we will use them going forward,” says Nicholson. “We’re all working together to ensure that crews arrive at their destination as safely as possible.”

BNSF and third-party carriers operate about 1,250 vans across the network daily, carrying employees to and from work locations. Working with labor and site safety teams, BNSF is taking steps to ensure that safety never takes a back seat.
In January of 2008, BNSF’s Service Excellence Team descended on Argentine Yard in Kansas City, Kansas, with one primary objective: Identify the best ways to run a BNSF classification terminal, turn those into a standardized Best Way template and roll Best Way out to the entire BNSF system.

One year later, Best Way is clearly proving its value as a successful business model for 21st century railroading. It has been fully implemented at Argentine and Galesburg, Ill.; and by the end of first quarter Northtown (Minneapolis), Barstow, Calif., and Haslet, Texas, will be online. For 2009, the goal is to have one major classification terminal come online every six weeks through the rest of the year. (The Best Way process was initiated at classification yards because of the complexity of that operation and the significant potential benefits in reducing congestion and improving network performance.)

The first step in institutionalizing the Best Way process is getting the six foundation initiatives in place and embraced by all employees. (See box.) Sustainability – making sure a terminal doesn’t slip into bad habits after the Service Excellence team moves on – is the last step, but as significant as the first, and is enhanced with post-audit and embedding processes. Other sustainability elements include that supervisors are certified in Best Way, and each terminal that has instituted Best Way even has its own Wiki space. (See sidebar, Page 12.)

**Proof Is in the Numbers**

While the rollout continues as planned, the really good news is that Best Way is working, improving overall terminal performance. Take a look at the latest high-level metrics for Argentine Yard, where sustained improvements are being made in two big “game changer” measurements: on-time origination and average terminal car dwell. In the 12 months since the terminal instituted Best Way, on-time origination has improved 70 percent. To look at that another way, in January 2008, about 55 percent of the trains originating at Argentine were on time; today, the figure is 95 percent.

For terminal dwell, the actual planned hours for merchandise cars to be in the terminal have dropped by 14 percent – from an average of 34 hours to 29.

Galesburg has demonstrated equally impressive performance improvements since the implementation of Best Way. For starters, the terminal used Best Way tools and processes to set new standards for on-time performance, departing a record 203 consecutive merchandise trains on time – a standing record and an improvement of 282 percent. Average terminal car dwell has also been reduced by about 18 percent at Galesburg since Best Way processes were implemented and continues to get better daily, according to Terminal Superintendent Rick Danielson. In that same period, average terminal locomotive dwell decreased by 12 percent.

“Under Best Way, Galesburg has created an awareness of on-time performance like we’ve never before experienced on BNSF,” says Southern Region Vice President-Operations Bob Lease. Overall, Galesburg’s originating train performance increased a remarkable 288 percent in less than a year.

Other performance criteria at both Argentine and Galesburg have steadily improved or stabilized, and both terminals have dramatically reduced variability.

While impressive performance metrics like these demonstrate that Best Way works, the real value of the initiative comes from understanding why Best Way works.

**The Same Way – and Best Way**

Consistency is among the reasons why Best Way is working, thanks in part to Service Excellence. The team’s role is to institutionalize Best Way processes by going out and communicating them to the entire system so that everyone performs key tasks the same way – and the very best way.

“Getting all departments working from the same sheet of music has brought step function improvements in on-time departure, locomotive dwell and car dwell in the terminals, while at the same time driving cost down through efficiency.

---

**The Six Best Way Foundation Initiatives**

The Service Excellence team originally identified five foundation initiatives or key areas to guide future success of Best Way; a sixth was added late last year:

1. Standardized manifest planning
2. Simplified and uniform metrics and continuous improvement dialogues
3. Refinement of Operational Control (OPCON) model and action plans
4. Optimization of power moves
5. Specifically defined roles and responsibilities
6. Appropriate matching of terminal needs with line segment resources
improvement and reduced rework,” says Robert Johnson, general director, Service Excellence. “Best Way has enabled us to focus all of our business processes to support on-time departure.”

Brandon Mabry, assistant vice president, Value Engineering & Strategic Analysis (VESA), describes how a new Best Way tool, the Terminal Dashboard, unites all departments to achieve consistent on-time departure. “The Terminal Dashboard reduced 122 measures down to just 10 key measures for terminal performance. Now, three simple pages of data provide enough information to understand how the terminal is performing.”

Lease sums up the impact of the Terminal Dashboard on running a scheduled railroad. “Dashboard allows us to craft a very simple, powerful and easy-to-communicate message that takes transportation outcomes and quickly communicates them across many departments through first-line supervisors.”

John Brewer, a terminal trainmaster at Argentine Yard, touts other benefits of Best Way. “Quality of life has improved,” Brewer says. “Now we know what to do and when to do it. Your confidence is up because you don’t worry about getting second-guessed. With Best Way you feel that you’re part of a team that gets trains out on time.”

Another benefit of Best Way’s streamlined communications is that it enables terminal superintendents like Danielson at Galesburg and Steven Nettleton at Argentine to spend more time on developing people and improving safety. “About 90 percent of my job should be focused on safety and developing our people,” Nettleton states. “With Best Way, I’m finally able to do that.” Danielson adds, “I’m no longer recalibrating the lineups or managing customer issues to the car level, I’ve got more time to focus on what matters most: safe operations. And it’s working.” Injuries and human factor incidents at both Galesburg and Argentine are down since implementation of Best Way.

While the Terminal Dashboard represents a visual aspect of Best Way-driven performance improvements, there’s another benefit. “There’s less ‘noise’ at Argentine,” Allen Stegall, manager of operations, Service Excellence, says with a grin. “Best Way has cut out all the distractions and unnecessary communications that used to come from protecting your department. With Best Way, there’s a lot more respect for other departments and for each other. The only thing anyone’s protecting now is on-time departure. And we all own that.”

Randy McMahan, assistant superintendent, Galesburg, attributes the reduction in noise to Best Way’s clarification and standardization of roles and responsibilities. “Our best trainmasters used to be the problem-solvers, the creative improvisers,” McMahan says. “With Best Way, our best trainmasters are now the folks who can work the job as it’s outlined in the playbook. We still need problem-solvers. We just don’t have problems to solve 24/7 because we have a plan, and we run on time.”

**A MOOSE in Every Terminal**

Improved performance figures, increased cooperation between departments and safe operations are always welcome. But sustainability remains the truest measure of success for Best Way.

“A Sustainable Solution”

Best Way is built for the long haul, both as a terminal operations template and as a successful business model. Best Way includes four built-in elements for long-term success:

1. **Best Way Certification:** a process to ensure that terminal first-line supervisors master the Best Way concepts and lead effectively and consistently.

2. **Manager of Operations, Service Excellence (MOOSE):** This new “leave-behind” position serves as a focused point of contact for terminals that have just come online with Best Way. The MOOSE assists with Best Way certification, updates processes and tools, and facilitates weekly lessons learned and issues resolution.

3. **Best Way Wiki:** a dedicated online knowledge base that serves as a terminal-specific resource for every job’s roles and responsibilities, transportation service plans, contingency plans, lessons learned and other valuable information.

4. **Metrics:** BNSF has updated the core means of evaluating terminal performance to better match desired Best Way outcomes.

Sustainability also means relevance in any economic conditions. Bob Lease, Southern Region vice president, Operations, says that Best Way is an example of BNSF’s forward thinking. “Best Way has already proven itself successful in periods of high demand,” Lease points out. “First, with Best Way, the company is equipped to handle the demands of a post-recovery economy more successfully than it has in the past. And second,” Lease continues, “testing and implementing new approaches to managing a terminal are more easily accomplished when you’re not running at capacity.”

---

**Contributed by David Vickers**

---

At Galesburg, many sustained improvements are being made in key process measurements, including the time it takes to get power ready and assigned for on-time train departures.
Train Crew Lineup Accuracy: Another Best Way

Going online has revolutionized how people search for information. But sorting through the wealth of information can be overwhelming and time-consuming. When it comes to BNSF train crew lineups, the search will soon be simplified for the 17,000 train, yard and engine (TY&E) employees, thanks to a new Best Way Lineup Project being implemented by Crew Management. (Train crew lineups show which trains crews will work based on crew boards and train schedules.)

For the first time, TY&E employees will be able to see a crew lineup screen that projects their on-duty times based on employee events and manpower. Even better, employees will have the option to have this information “pushed” to them based on a personal profile, instead of logging into the Transportation Support System (TSS) or calling the interactive voice response (IVR/VRU) system.

More importantly, the improved projected on-duty times will enable TY&E employees to better plan their away-from-work time, including their rest.

How Long Before I Go To Work?

“Lineup issues have been around for a long time,” explains Bobby Pechal, director, Crew Support. “Years ago, when there were far fewer freight trains and everything ran on an exact schedule, crews knew when they’d go to work, day in and day out. Today, with as many as 100-plus trains a day going in and out of a terminal, the game plan has changed.”

Technology has changed, too, creating a self-service culture. People want information at their fingertips. Train crews for several years have been able to obtain crew lineup information using TSS or by calling IVR/VRU. But because lineups frequently change, employees must frequently check TSS or the IVR to determine when they will be called to work.

“We have never ‘pushed’ data to train crews – they just figured out ways to find it,” says Pechal. “As a result, they are spending valuable time – sometimes even rest time – trying to find accurate crew lineup information. TSS gets about 300,000 hits each day for this information!”

For those fishing for data, the existing system shows only current vacancies. It can’t project or display future known vacancies, such as vacations and personal leave days – information that would give crews a better idea of their “slot.”

The Best Way Lineup initiative is addressing these issues by using more data to project better on-duty time estimates for TY&E employees.

Real World

To ensure that the project addresses train crews’ needs, Crew Management partnered with representatives from the Brotherhood of Locomotive Engineers and Trainmen (BLET) and the United Transportation Union (UTU) to help with development, design, testing and implementation.

“Their feedback is based on experience, and they’re helping us to better understand the real-world challenges of TY&E people, taking all the pieces of the data puzzle and pulling them together in one package with the new software,” says Pechal. “Their participation will be a large part of the success of this project.”

Jerry Jensen, a locomotive engineer in Lincoln, Neb., and a BLET local chairman, is one of the subject matter experts (SMEs). With nearly 30 years’ experience, he knows well the problems of getting accurate lineup information.

“It’s been a major problem, but we [the SMEs] have shared what the issues are in the field, showing Crew Management all the processes we use to get the information,” says Jensen.

“The new system they created is so much easier. People here are picking it up quickly.”

New Views

Some pieces of this Best Way project were put in place late last year. The first was a change in the way data is viewed in TSS. The new screen displays are more flexible and reduce the need to back out to the main screen to search for more information. Some key enhancements are:

- For the extra board, the screen shows employees who are on the board AND the projected duty information instead of showing employees, THEN vacancies.
- View selections help employees see the “big picture” – including board standing, on-the-job and train information, layoffs and drill down on the board number of the vacancy. Additionally, highlighted rest information will be in red; employees can view a working board and train make-up information without leaving the screen.
- Another display shows the projected on-duty time an employee was given via IVR or TSS.

Push, Not Pull

In addition to the views and the vacancy projections, this project offers a bigger benefit: push technology. When all of the software is up and running, TY&E employees won’t have to look at the system; the information will be “pushed” out to them.

“They will be able to customize the data they want to receive and have it pushed to a device of their choice: text message to their cell phone, e-mail to a PDA or e-mail account, or phone call to a specified phone,” says Wendy Banister, manager, Crew Support. “TY&E employees will receive on-duty information, without having to take time to search for it.”

The goal is to have this piece implemented systemwide by the end of March.

If employees don’t have such a communication device, they can still access lineup data and information through the IVR/ VRU or by logging into TSS. No information will be removed; they will just have more ways to receive more accurate vacancy and on-duty projections.

TY&E employees aren’t the only ones to benefit. Supervisors will have better crew availability information so they can better plan day-to-day operations. Additionally, the project will improve the “Lock and Load” measurement that leaders use every day to measure success at terminals, divisions, regions and the system as a whole. Changes are also planned to the Crew Deviation measurement, which compares the variance between projected and actual on-duty time for a crew. A new tool will define the cause of the deviation.

Ultimately, the goal is to enhance quality of life for TY&E employees, says Pechal. “They will have better tools to manage their off-time and to plan their rest. The result will be a better workplace – for all.”

Contributed by Susan Green

Questions?

You can find more information about the Best Way Lineup project on the Labor Relations Web site. When accessing the LR page, go to the bottom of the left navigation bar to Crew, and click on Crew Initiatives for several PowerPoint presentations. As more features are added, information will be added on this link. General Notices will also be issued to TY&E employees when updates are made. Or contact the Crew Support Help Desk at company line 676-2828 Monday through Friday from 8 a.m. to 4 p.m., CST.
The “Across the BNSF System” section is about BNSF people who are making a difference, who care enough to better the workplace as well as the communities where we live and where our trains operate. This feature is designed to connect us—from one point of pride to another. If you have a story you would like considered, please drop us an e-mail, via Communications, Corporate in Outlook, attention Railway Editor.

**Tulsa Diversity Council Keeping Students Warm**

To help students stay warm this winter, Tulsa, Okla., Diversity Council members held a raffle to benefit a local elementary school. Money raised through the raffle, as well as from employees’ and area businesses’ donations, bought hooded sweatshirts with the school’s logo for each of the school’s 385 students.

“Some kids don’t have a coat,” says Greg Peters, trainmaster and diversity council chairman. “It gets cold here in the winter. This will help keep them warm.” Employees raised $1,350 and the BNSF Foundation gave $1,000.

**Rescuing Wildlife**

Since childhood, sisters Wendie Henderson and Lorie Reeh of Alliance, Neb., have rescued injured or orphaned wild animals and neglected or homeless domestic animals.

“I can’t not do animal rescue,” says Henderson, Alliance brakeman/switchman since 1988. “You cannot walk off.” Henderson has rescued two horned larks, a barn owl, prairie falcon, king bird and several displaced young birds.

“Think I was born with a passion to assist helpless animals.”

Reeh says, “You just get a sense that the animal needs help and you can’t just look the other way.”

Henderson, Reeh and other area employees are developing a dog park. The BNSF Foundation agreed to match contributions of $100 or greater from any railroad employee.

**Kuzel Gives Back through Big Brothers Big Sisters**

Darin Kuzel, Dilworth, Minn., locomotive engineer, has mentored eight young men in the past 22 years with Big Brothers Big Sisters. An avid outdoorsman, Kuzel takes his “little brothers” along on hunting and fishing excursions.

In addition to his expertise as a sportsman, Kuzel shares life skills and a listening ear with the boys he mentors.

Kuzel started volunteering after mentoring the son of a co-worker in 1986. He took the boy on hunting and fishing trips and found it so rewarding he decided to volunteer as a big brother.

“Not everybody gets a fair shake in life,” Kuzel says. “I don’t consider myself a teacher by any means, but if I can pass on a couple of ideas that they can use in their life, that’s pretty much what I try to do.”

**Houston Supports Mission**

A friendly competition between Houston-area BNSF facilities is helping to provide coats, clothing, household goods and toys to the Star of Hope Mission’s Women and Family Emergency Center.

For the fourth year in a row, the Houston Diversity Council organized the drive to collect items for the mission.

Participating locations competed with one another to collect the most items.

Spring, Texas, employees once again collected the most donations, and they will receive a fish fry as recognition of their accomplishment, sponsored by the Diversity Council.

**Newman Enjoys Working with Seniors**

Monday mornings find Jake Newman, Dodge City, Kan., switchman, at a nearby long-term care facility, playing video games with residents.

In addition to teaching residents how to play Nintendo’s Wii Bowling, Newman also enjoys jigsaw and crossword puzzles with them every other Sunday.

One of the challenges he faces is that most residents play from their chairs and have a hard time remembering how to play the new game or even their gaming teacher.

“Get some residents from week to week who don’t remember me,” Newman says. “Jake’s got so much patience with the residents,” says Julie Miller, the center’s activity director. “We enjoy him here very, very much.”

**Pizza, Raffle Support Community Services**

A pizza party held by employees of Midway Intermodal Facility in St. Paul, Minn., raised $2,490 for Keystone Community Services, which operates three food shelf locations in the area.

“We chose Keystone because it serves the local area and we want to help those around us,” says Dennis Seaton, senior hub manager.

In addition to purchasing pizza, participants could enter a raffle offering 32 prizes.

“This was a huge team-building event,” Seaton says. “A lot of people donated and worked together to make it a success.”

Seaton also worked with Keystone Community Services to obtain matching funds from BNSF, increasing the total funds raised from employees and the company to $4,980.

**New Hotel CheckINN Card for Scheduled Employees to Take Effect in Mid-March**

Scheduled employees will have a new lodging administrator starting in mid-March. The new provider, Corporate Lodging Consultants Inc. (CLC), will replace supplier Interhotel Leasing.

The new vendor will coordinate lodging for employees in Train, Yard and Engine (TY&E) service: Engineering; Mechanical; Telecommunications; and the Technical Training Center (TTC). These employees will receive their CheckINN card at their home address.

Affected employees will use the CheckINN card to check in and check out of BNSF-approved lodging. The card is valid only for invoicing the hotel room rate and taxes. Incidental charges such as room service, movies, in-room mini bar and other hotel expenses cannot be charged to the card. The CheckINN card is not a credit card. Use of the CheckINN card for nonbusiness purposes will be reported to BNSF for handling.

Upon receiving the card, please review it for accuracy. If any information is incorrect, call CLC at 877-598-BNSF (2673). If the CheckINN card is lost or stolen, please contact CLC immediately at that same number.
Envision This

In July 2009, BNSF will replace its current Financial, Human Resources and Payroll systems (i.e., Millennium and Tesseract) with a new system using SAP computer software. The project is known as Envision.

“These BNSF systems are more than 20 years old, making them more difficult and costly to maintain,” says Lettie Haynes, project sponsor and assistant vice president, Technology Services. “Envision will also provide greater efficiency by streamlining business processes and providing additional functionality for our employees.”

When Envision is fully implemented, some Finance, HR and Payroll (excluding timekeeping) processes will change to varying degrees. Examples include:

● Convenient access to update personal information such as permanent address, emergency contacts, banking selections, W-4 information, etc., through an enhanced Employee Online (EOL). New functions offer more choices and personal customization to meet your needs.

● Standard forms and instructions become more readily available for medical, military and miscellaneous leave of absence requests, which will now be conveniently found on employee.bnsf.com.

● A new method of processing invoices replacing FastTrack will use simple descriptions instead of numerous accounting codes.

● Training materials on the use of the new system are being developed, and updates will be provided in the future. For more information, go to http://wiki.bnsf.com/display/env/Home, and watch Railway, BNSF News and BNSF-TV in the coming months for more information about Envision and how it may affect you.

BNSF Performance Measures

BNSF UnitsHandled
Year-to-date through Feb. 5, 2009

<table>
<thead>
<tr>
<th>Product</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>250,748</td>
<td>247,094</td>
</tr>
<tr>
<td>Agricultural Products</td>
<td>90,596</td>
<td>109,214</td>
</tr>
<tr>
<td>Industrial</td>
<td>117,796</td>
<td>119,622</td>
</tr>
<tr>
<td>Consumer</td>
<td>409,918</td>
<td>462,032</td>
</tr>
<tr>
<td>System</td>
<td>869,057</td>
<td>974,971</td>
</tr>
</tbody>
</table>

BNSF Velocity Performance
Quarter-to-date through Feb. 5, 2009

<table>
<thead>
<tr>
<th>Product</th>
<th>1st Qtr. Goal</th>
<th>Actual QTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locomotive miles per day</td>
<td>306.9</td>
<td>288.9</td>
</tr>
<tr>
<td>Agricultural car miles per day</td>
<td>187.0</td>
<td>180.2</td>
</tr>
<tr>
<td>Merchandise car miles per day</td>
<td>127.0</td>
<td>126.4</td>
</tr>
<tr>
<td>Coal car miles per day</td>
<td>367.0</td>
<td>312.1</td>
</tr>
<tr>
<td>Intermodal transit days</td>
<td>3.98</td>
<td>3.76</td>
</tr>
</tbody>
</table>

BNSF Stock
12-month view through Feb. 5, 2009

BNSF Reportable Injuries
Year-to-Date through Jan. 29, 2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>59</td>
</tr>
<tr>
<td>2008</td>
<td>59</td>
</tr>
</tbody>
</table>
To celebrate the long-standing partnership with North Dakota, BNSF began running a series of ads in local newspapers across the state featuring BNSF employees.