

Lehrke, Teri

From: Bjorge, Lydia <Lydia.Bjorge@BNSF.com>
Sent: Monday, June 29, 2020 4:04 PM
To: Lehrke, Teri
Cc: jstrohl66
Subject: FW: BNSF Comments on Electrification Proposal
Attachments: BNSF Electrification Letter_June 2020.pdf

*** CAUTION: This email originated from an external sender. DO NOT click links or open attachments unless you recognize the sender and know the content is safe. ***

Hi Teri

Please see the note below and document attached for purposes of the public record during tomorrow's J&A meeting.

Thanks much, and have a wonderful July 4th!

Lydia

From: Bjorge, Lydia
Sent: Monday, June 29, 2020 4:02 PM
To: 'richmonda@cityoflacrosse.org' <richmonda@cityoflacrosse.org>; 'kahlowc@cityoflacrosse.org' <kahlowc@cityoflacrosse.org>; 'padeskyg@cityoflacrosse.org' <padeskyg@cityoflacrosse.org>; 'olsonje@cityoflacrosse.org' <olsonje@cityoflacrosse.org>; 'weaverj@cityoflacrosse.org' <weaverj@cityoflacrosse.org>; 'gaulm@cityoflacrosse.org' <gaulm@cityoflacrosse.org>; 'neumeisters@cityoflacrosse.org' <neumeisters@cityoflacrosse.org>
Subject: BNSF Comments on Electrification Proposal

Hi Chair Richmond and members of the Judiciary & Administration Committee,

I have attached comments from BNSF regarding file number 20-0571, "Support for Solutionary Rail Electrification Proposal and Northern Corridor Demonstration." I welcome questions in advance, the fastest way to reach me is on my cell phone at 651.253.8237.

I will also be available for questions during tomorrow's hearing.

Thank you for the opportunity to be a part of the discussion.

Lydia

Lydia Bjorge | Director, Public Affairs MN + WI | BNSF Railway | lydia.bjorge@bnsf.com | (651) 253-8237



Lydia Bjorge
Director
Public Affairs

BNSF Railway Company
525 Park Street N, Suite 110
St. Paul, MN 55104
office 651-298-2458
cell 651-253-8237
lydia.bjorge@bnsf.com

June 29, 2020

City of La Crosse
Judiciary & Administration Committee
400 La Crosse Street
La Crosse, WI 54601

Dear Members of the Judiciary & Administration Committee,

Thank you for the opportunity to comment and for reaching out to BNSF in an effort to gather additional information before making a final decision on Resolution #20-0571. La Crosse is a key location on BNSF's main northern route that runs from Chicago through to the Pacific Northwest. Our employees who work here, along with their families who live and recreate here, are significant contributors to the economy and the community of La Crosse. Because these and other railroad employees work 'round the clock, even over the last few challenging months, we all have access to food, medicine, cleaning supplies and all the other goods we use daily.

BNSF shares with La Crosse the common goal of reducing our impact on the environment, and we are proud of the role our employees continue to play in safely and efficiently moving millions of tons of goods across our country every day.

At BNSF, we believe it is important to reduce our impact on the planet and to contribute to the long-term sustainability of every community we serve, including La Crosse. BNSF is a leader in the rail industry for the protection of our air, land and water and we continue to focus on finding greater efficiencies such as improving fuel economy, which results in less fuel burned and fewer emissions. Transport by rail is already more than three times more carbon efficient than trucks which translates to a two-thirds cut in carbon emission for every ton of freight moved.

Resolution #20-0571 is unnecessary given what BNSF and the rail industry are already doing, the need for a strong supply chain in order to ensure our city's success, and potential unintended consequences that arise out of electrification.

BNSF is a Clean Technology Partner

BNSF is focused on ensuring that rail continues to be the most efficient mode of land transportation, and we are committed to doing our part to test and prove the commercial viability of emerging technologies that reduce emissions.

We believe the use of advanced batteries is a better way to use energy from the electrical grid. BNSF is pleased to be working with partners like Wabtec to develop and test sustainable technologies like the battery electric locomotive, which, as part of a 'smart hybrid consist' could ultimately translate to increased fuel efficiency and the co-benefit of significant emission reductions. We were awarded, in partnership with the San Joaquin Valley Air Pollution Control District, a Zero and Near Zero Emission Freight Facilities grant from the California Air Resources Board. The \$22.6 million grant will fund a clean technology pilot program, with BNSF and partners picking-up the matching additional funds needed to finish the program. More information on the pilot program is attached. [See California Clean Technology Pilot Program].

Disruption to Supply Chain and Costly to BNSF, Wisconsin and La Crosse

Electrifying the BNSF network is a multi-billion effort that would require replacing the entire locomotive power system. That would create huge disruptions to critical supply chains not only in La Crosse, but across the entire U.S. freight network. A replacement of locomotive power system would have other unintended consequences, such as costing state and local governments significant sums of money by likely having to replace grade crossings.

Disruption to Supply Chain

Electrifying our network would require a shutdown of our operations in areas thus resulting in a shift to highway for several years. That would weaken the supply chain for things like consumer products filling the store's shelves in La Crosse or local farmer's access to international markets. The rail network is critical to the United States, Wisconsin, and La Crosse's economy today and in the future. A disruption to that network would have reverberating effects across the nation.

Interoperability

Freight trains that move across the country often share locomotives among railroad companies. An electrified section of freight railroad would prevent the use of all locomotives except those that are built with catenary systems, eliminating the interoperability with the rest of the country's freight network. A better future technology, as described above, are battery-electric locomotives that could be interoperable across the entire North American freight network.

Costly to State, Local Governments and Other Unintended Consequences

The resolution could have several unintended consequences. As example, the amount of truck traffic needed during a shutdown of that magnitude would result in significant emissions increase.

Also, freight locomotive electrification could require enormous capital expenditure from local units of government, such as La Crosse. It may require a rebuild of most grade separations to install overhead catenary systems. Additionally, costs to railroads for this multi-billion dollar approach would have an impact on supply chain costs, when most businesses that use freight railroads already operate at a very slim margin.

I recommend you indefinitely table this resolution given BNSF Railway and the industry continue to test clean technology, interoperability considerations, the significant disruption to the supply chain, which is critical to La Crosse's and Wisconsin's success, and because of the unintended consequences of premature electrification that could result in higher emissions and local costs.

Regards,

A handwritten signature in black ink, appearing to read 'Lydia Bjorge', with a stylized, cursive script.

Lydia Bjorge
Director, Public Affairs
BNSF Railway