
Surface Transportation Board – Rail Energy Transportation Advisory Committee Meeting

Performance Measures Subcommittee Update



September 15, 2011



**Using EIA, AAR and individual railroad data sources,
a data table is assimilated, and from it.....**

Five coal-related dashboards, organized as follows:

- 1.Coal Production, Consumption, and Inventories Dashboard
- 2.Coal Exports Dashboard
- 3.Western Rail Coal Carloads Dashboard
- 4.Eastern Rail Coal Carloads Dashboard
- 5.Railroad Coal Train Speed Dashboard

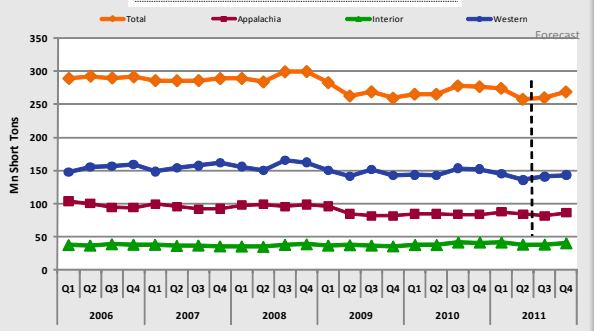
Also added a new dashboard with currently-available CN data

Each dashboard has three sections:

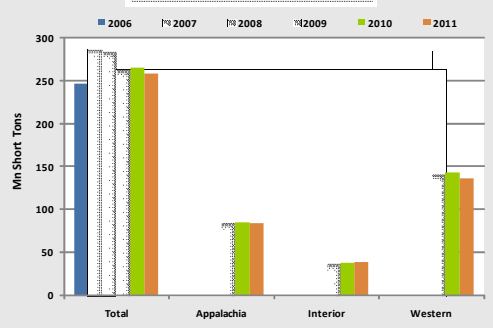
- a.Left - historical and forecasted data (no forecasts of rail metrics)
- b.Middle - comparison for the most recent quarter (in this case Q2)
- c.Right - current YTD comparison versus the 5-year range

U.S. COAL PRODUCTION, CONSUMPTION, AND INVENTORIES DASHBOARD

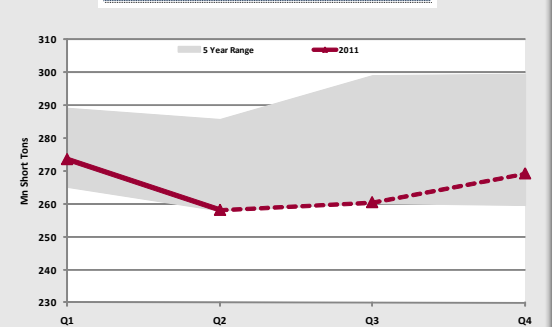
Historical and Forecasted Production



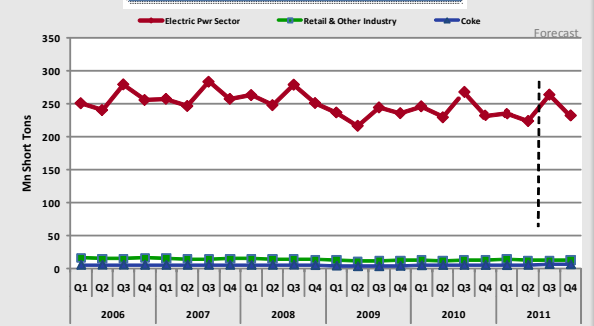
Q2 Production Comparison



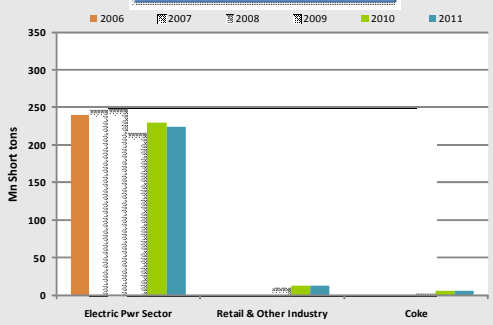
2011 YTD Production vs 5-Year Range



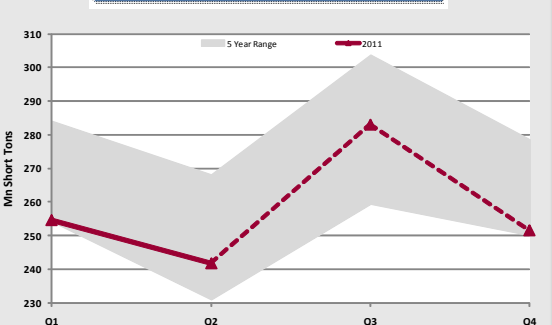
Historical and Forecasted Consumption



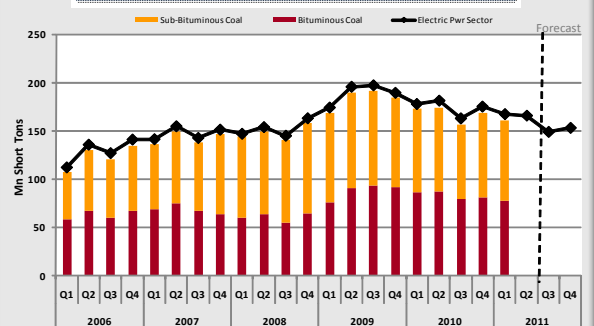
Q2 Consumption Comparison



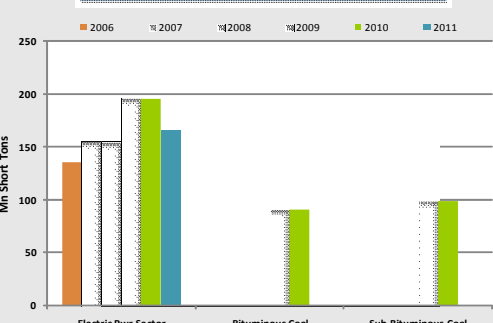
2011 YTD Consumption vs 5-Year Range



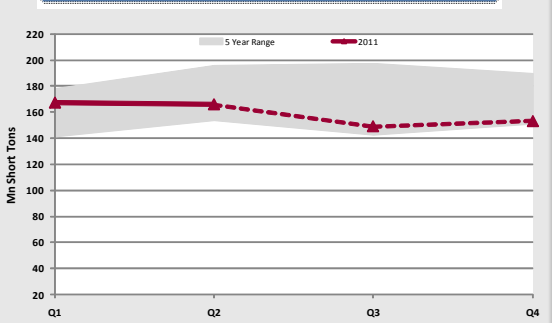
Historical and Forecasted End-of-Period Inventories



Q2 End-of-Period Inventories Comparison

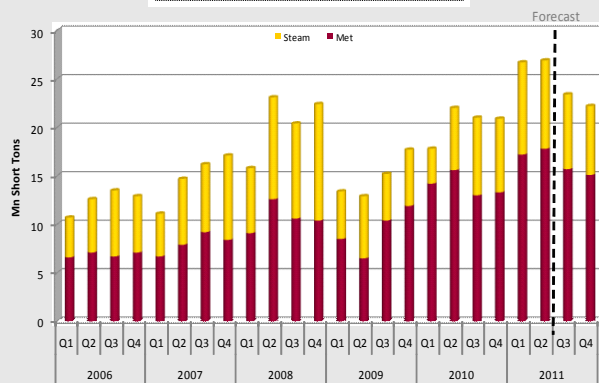


2011 YTD End-of-Period Inventories vs 5-Year Range



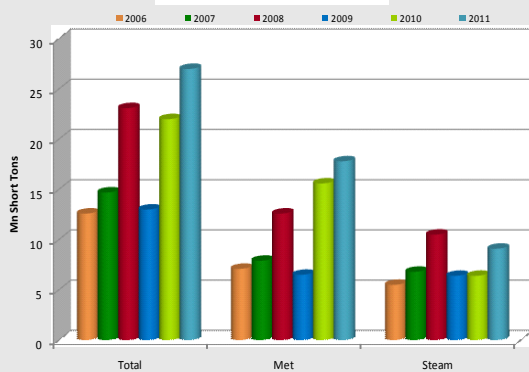
U.S. COAL EXPORTS DASHBOARD

Historical and Forecasted Exports

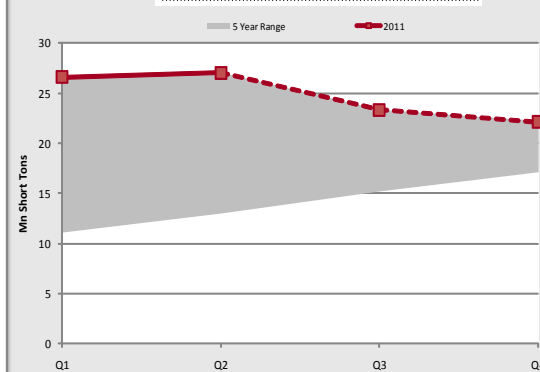


Source Data: EIA

Q2 Exports Comparison

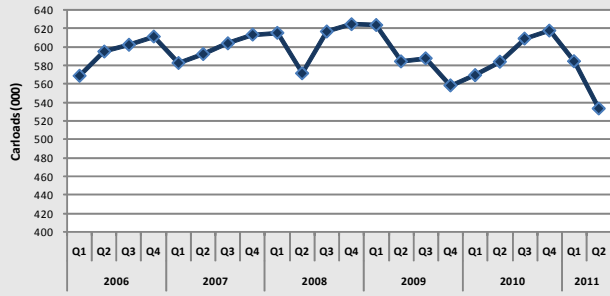


2011 YTD Exports vs 5-Year Range

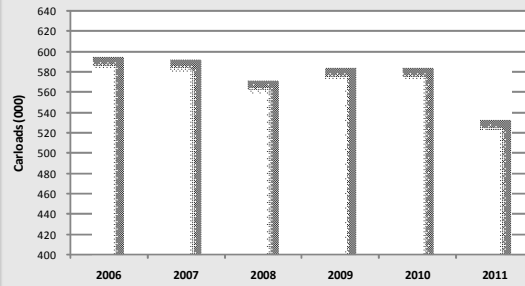


WESTERN RAILROAD COAL CARLOADS DASHBOARD

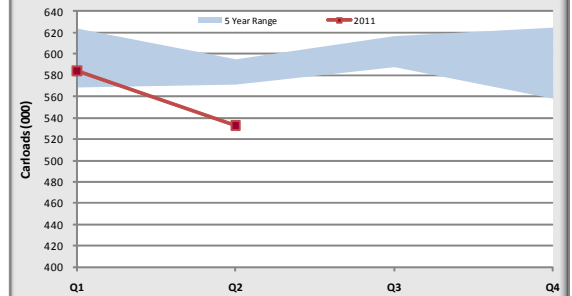
BNSF Historical Originations



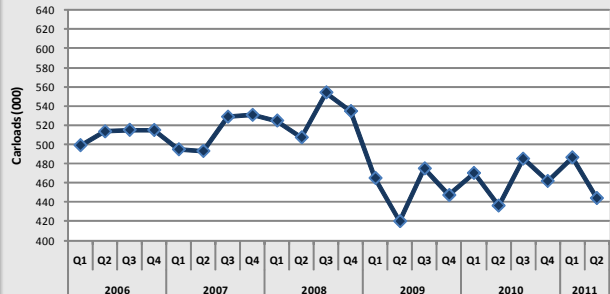
BNSF Q2 Originations Comparison



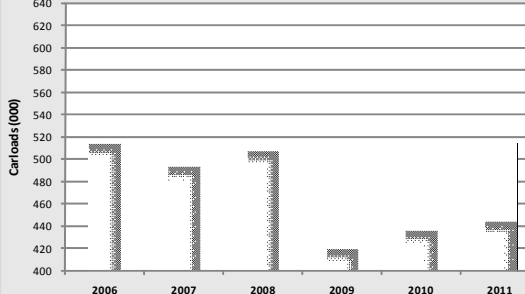
2011 BNSF YTD Originations vs 5-Year Range



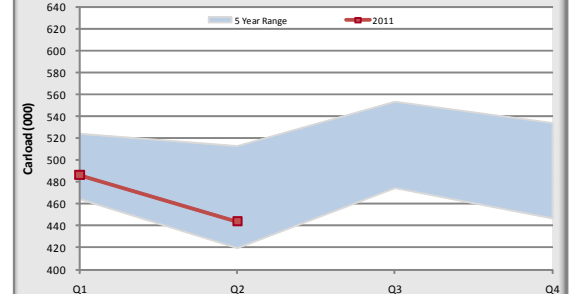
UP Historical Originations



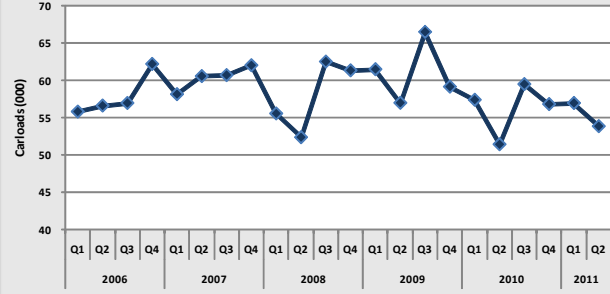
UP Q2 Originations Comparison



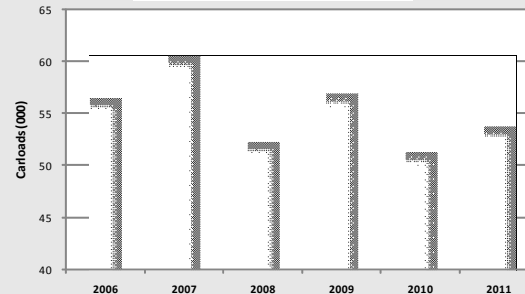
2011 UP YTD Originations vs 5-Year Range



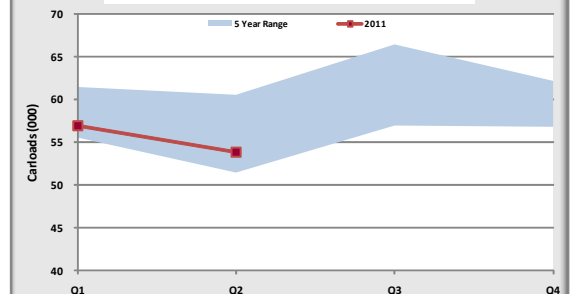
KCS Historical Receipts



KCS Q2 Receipts Comparison



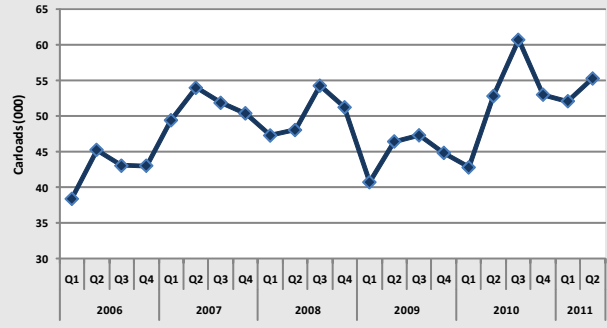
2011 KCS YTD Receipts vs 5-Year Range



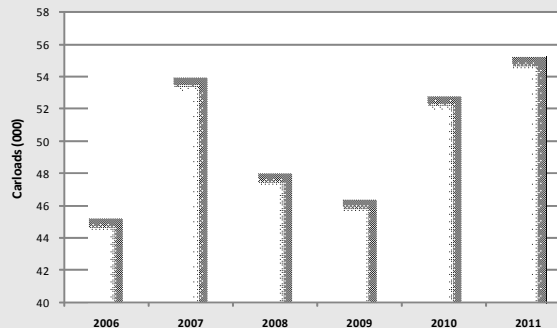
Source Data: AAR, BNSF, UP, KCS

CN RAILROAD COAL CARLOADS DASHBOARD

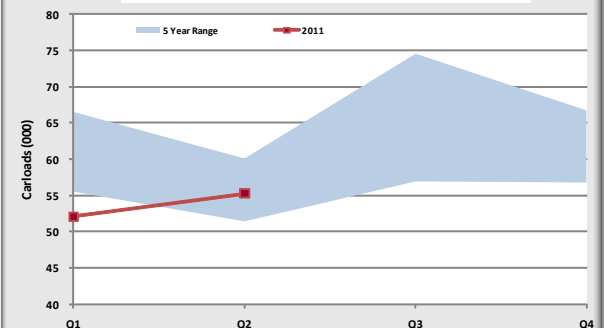
CN Historical Originations



CN Q2 Originations Comparison



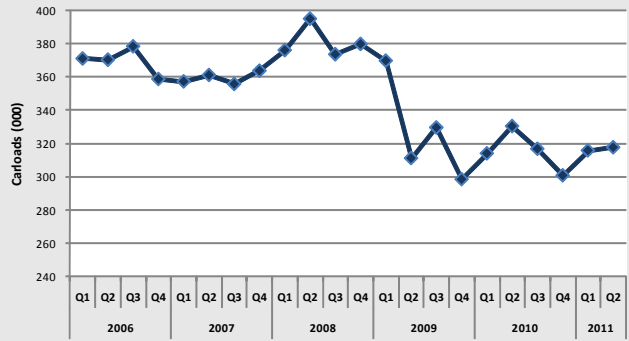
2011 CN YTD Originations vs 5-Year Range



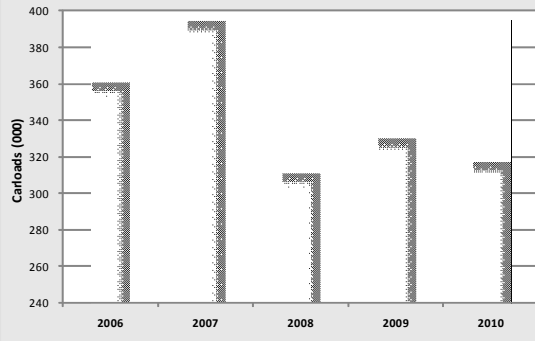
Source Data: AAR CN

EASTERN RAILROAD COAL CARLOADS DASHBOARD

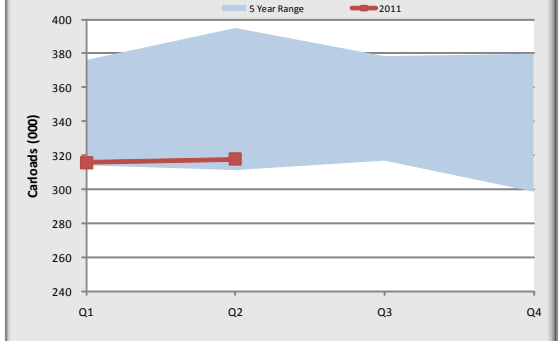
CSX Historical Originations



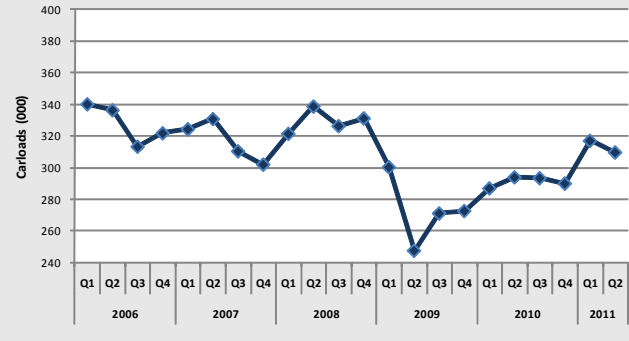
CSX Q2 Originations Comparison



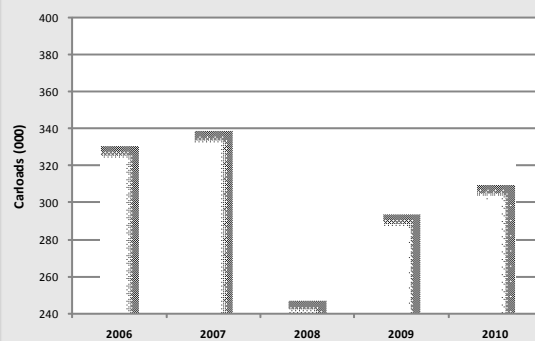
2011 CSX YTD Originations vs 5-Year Range



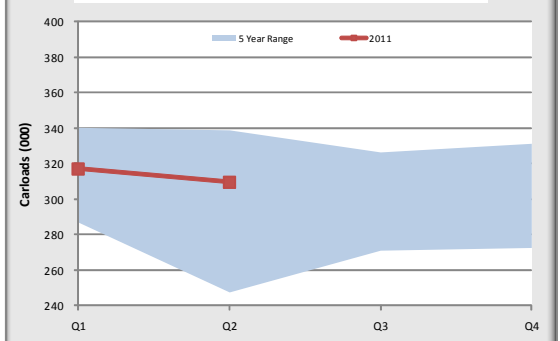
NS Historical Originations



NS Q2 Originations Comparison

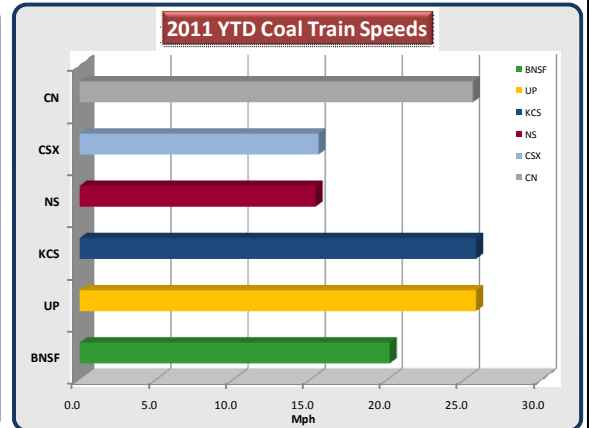
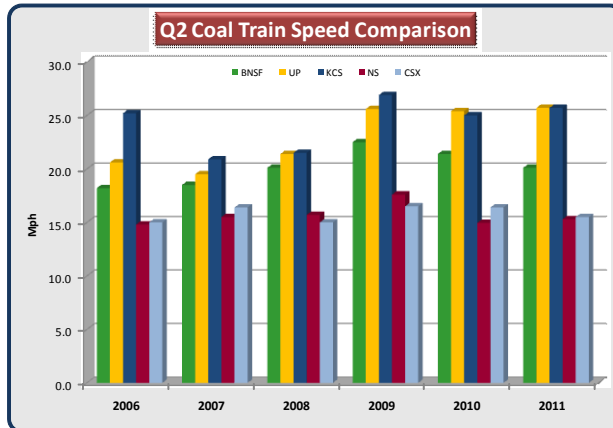
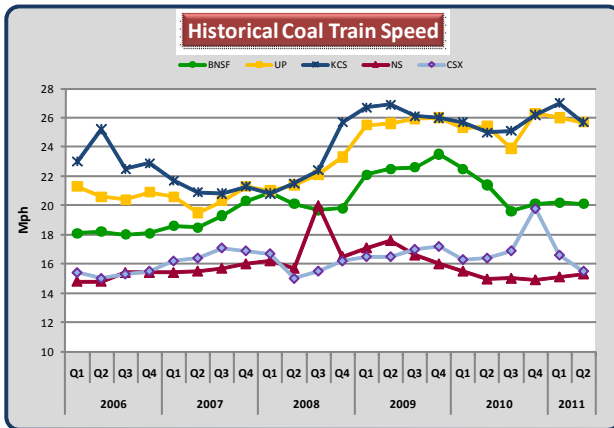


2011 NS YTD Originations vs 5-Year Range



Source data: AAR, CSX, NS

RAILROAD COAL TRAIN SPEED DASHBOARD



Source Data: AAR, BNSF, UP, KCS, NS, CSX, CN

Key points from data and dashboards, and general trends

Coal Production and Consumption:

❑ **Coal Production:** flat for first half 2011. By region, on a YOY basis:

- Western decreased 2% or -5.6 mn tons
- Appalachia increased 1.6% or 2.7 mn tons
- Interior increased 5.7% or 4.3 mn tons

EIA forecasts total coal production declining by 2.2% or -24 mn tons in 2011 despite higher coal exports

❑ **Coal Consumption:**

- Electric Power Sector consumption down by 3.6%, or -17.3 mn tons first half 2011
- EIA expects full year 2011 consumption in the Electric Power Sector to be down by about 2% or -21 mn tons, in spite of recent hot weather in Texas and much of the East. Natural gas continues to displace some coal in the generation mix.

Key points from data and dashboards, and general trends

Coal Inventories, Exports, and a 2012 Forward Look:

❑ Coal Inventories:

- Electric Power Sector ended Q2 at 165.8 mn tons per EIA, down 7.3% or -26 mn tons first half of 2011 compared with 2010
- EIA forecasts year-end inventories at 153.1 mn tons, compared with ending 2010 inventories of 175.2 mn tons

❑ Coal Exports:

- First half 2011 up 13.8 mn tons in total, or nearly 35% YOY. At 54 mn tons, this is the highest first-half level since 1982 when exports were 57mn tons.
 - Metallurgical coal exports increased 17% or 5.2 mn tons versus first half 2010
 - Steam coal exports increased 86% or 8.6 mn tons versus first half 2010
- EIA projects total 2011 exports to be up 21%, ending at 99 mn tons versus 82 mn in 2010

- ❑ **2012 Forward Look:** EIA expects coal production as well as consumption in the Electric Power Sector to continue to decline in 2012, by about 2% each. Coal exports will decline by about 14% as supply from other global coal producing regions such as Australia recovers from 2010 disruptions.

Key points from data and dashboards, and general trends continued

Railroad volumes:

- ❑ **General 2011 Trend:** latest YTD data through week 35 of 2011 - AAR reported volumes for major U.S. railroads up 1.9% for carloads and 5.8% for intermodal YOY
- ❑ **COAL CARLOADS:** through week 35, AAR's originated coal carloads for major U.S. railroads down 0.7% in the aggregate.

First half 2010 individual railroad YOY coal comparisons:

- BNSF originations: -36,000 carloads, or -3.1%
- UP originations: +24,000 carloads, or +2.7%
- CSX originations: -11,000 carloads, or -1.7%
- NS originations: +46,000 carloads, or +7.9%
- CN originations: +12,000 carloads, or +12.3%
- KCS received: +2,000 carloads, or +1.8%
- ❑ Flooding in the West and Midwest has disrupted coal movements beginning in the latter part of Q2, especially from the Powder River Basin – and the BNSF system has been affected to a greater extent than Union Pacific. More recently, heavy rain and flooding in the East and Northeast has caused some delays.

Key points from data and dashboards, and general trends continued

Railroad train speeds:

❑ COAL TRAIN SPEEDS:

2011 first half coal train speed performance by railroad:

- BNSF: average 20.1 mph -- 3.6 mph slower, or -8.2%
- UP: average 25.9 mph -- 1.0 mph faster, or +2.0%
- CSX: average 16.1 mph -- 0.6 mph slower, or -1.8%
- NS: average 15.2 mph -- 0.1 mph slower, or -0.2%
- CN: average 25.2 mph -- 0.3 mph slower, or +0.6%
- KCS: average 26.4 mph -- 2.0 mph faster, or +3.9%