

BNSF
RAILWAY

BNSF Railway & New Mexico

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REGIONAL MANAGER, ECONOMIC
DEVELOPMENT

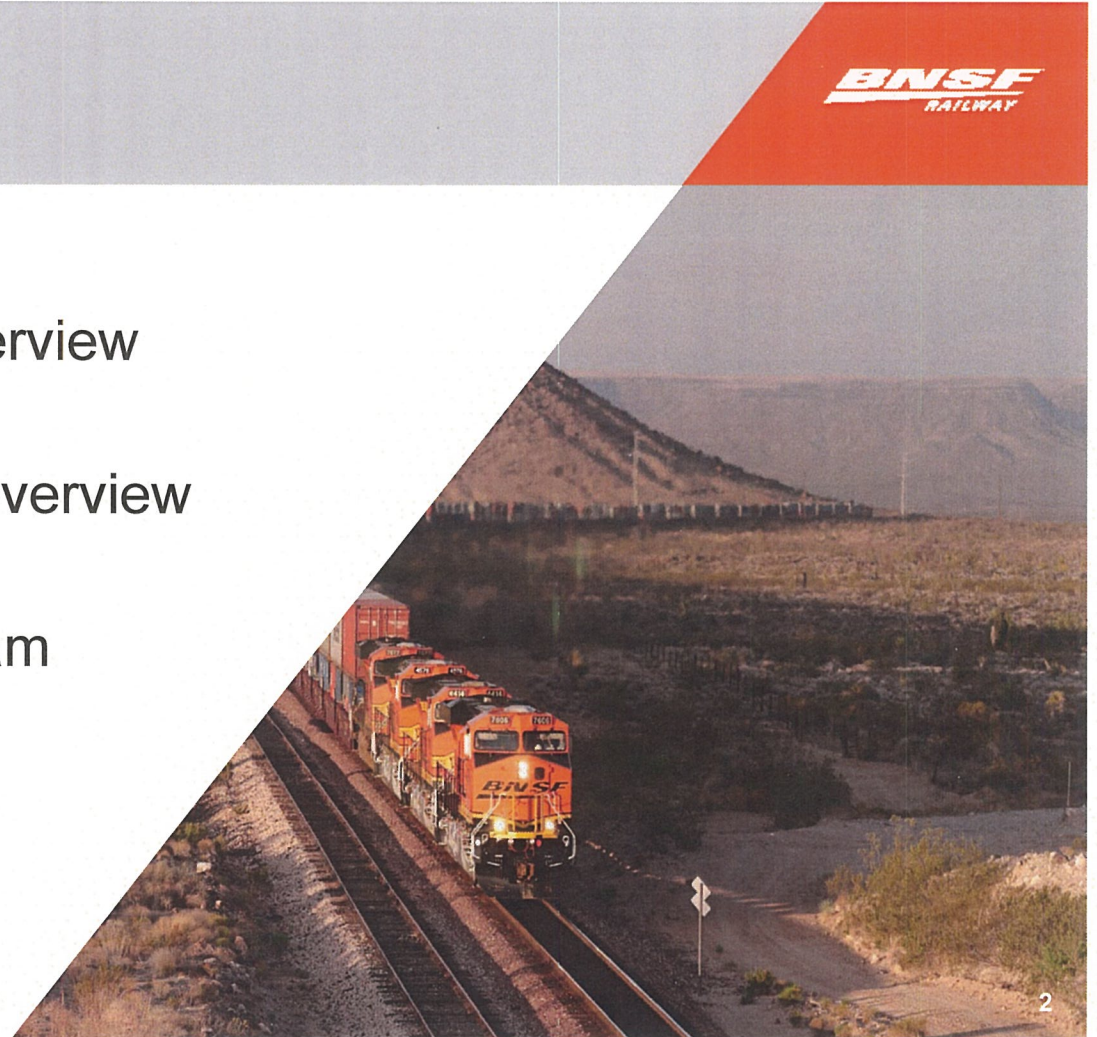
JULY 25, 2017



Topics



- Industry & BNSF Overview
- BNSF New Mexico Overview
- Certified Sites Program



Industry & BNSF Overview



Rail is a Safe Method



The **train accident rate** fell **38%** since 2000 and **78%** since 1980.

The **rail employee injury rate** fell **47%** since 2000 and **84%** since 1980.

The **grade crossing collision rate** fell **42%** since 2000 and **81%** since 1980.

Types of Railroads

BNSF
RAILWAY

Class I

- There are 7 Class I freight railroads
- Operate in 44 states
- Accounts for 90% of employees
- 69% of U.S. freight rail mileage

Class II and III

(Short Line and Regional Railroads)

- +500 short line and regional railroads
- Operate in every U.S. state except Hawaii.
- Accounts for 10% of employees
- 31% of U.S. freight rail mileage

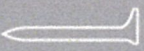


Source: Prepared by AAR from the National Transportation Atlas Database 2010, published by the U.S. DOT/BTS

From Reducing Emissions to Recycling, BNSF Cares About Environmental Responsibility



IN 2016,
BNSF RECYCLED



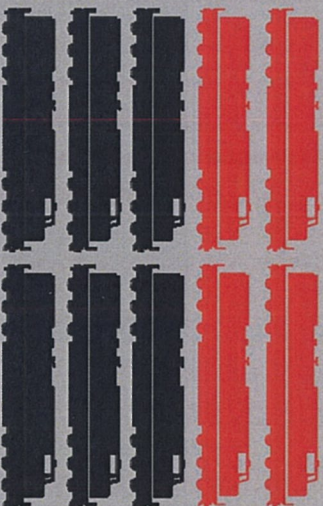
1.1M
RAILROAD TIES



1.4M
POUNDS OF BATTERIES



4.3M
GALLONS OF LUBE OIL



More than **40%** of BNSF's locomotive fleet has been upgraded to more energy-efficient technologies in the last 10 years, helping us make great strides in increasing fuel efficiency and decreasing CO2 and particulate emissions.

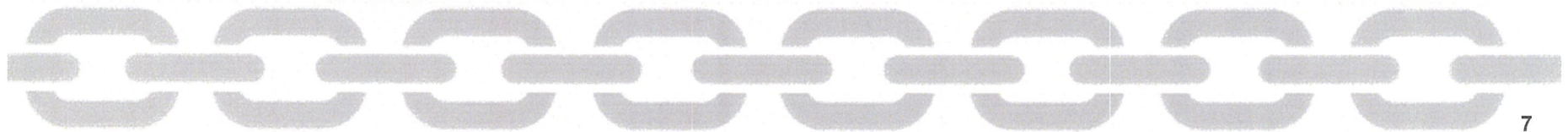
IN 2016 BNSF CUSTOMERS REDUCED THEIR TOTAL CARBON EMISSIONS BY

34M METRIC TONS

A Key Link in the U.S. Supply Chain



70% of America's GDP is driven by the consumer and a seamless network of manufacturers, retailers, distributors, transporters, storage facilities & suppliers



What Fits In Just One Freight Rail Car?

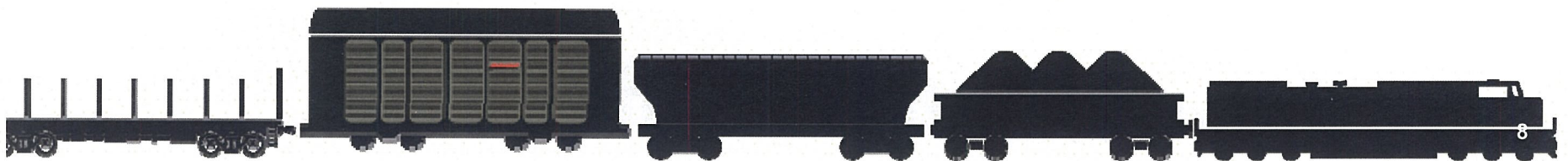


ENOUGH COAL TO POWER **21 HOMES** FOR A YEAR 

ENOUGH GRAIN TO MAKE **258K LOAVES** OF BREAD 

ENOUGH FRAMING LUMBER FOR **5.5 HOMES** 

UP TO **24 VEHICLES** 



Railroads Can Help Reduce Highway Congestion



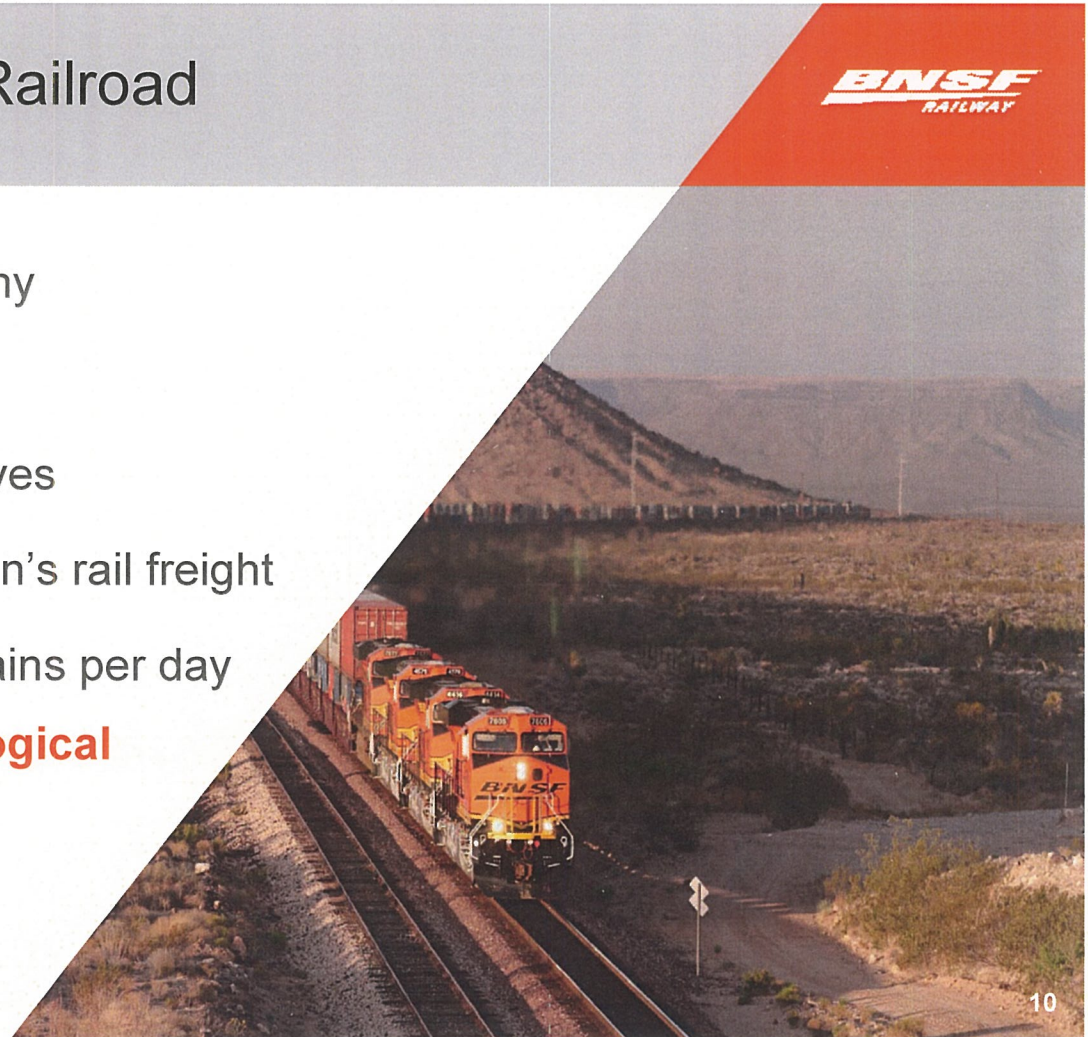
One BNSF intermodal train removes more than **280 long-haul trucks** from our nation's highways



BNSF is a Leading U.S. Railroad

- A Berkshire Hathaway company
- **41,000** employees*
- Approximately **8,000** locomotives
- Moves **one-fourth** of the nation's rail freight
- Operates over **1,200** freight trains per day
- Leads rail industry in **technological innovation**

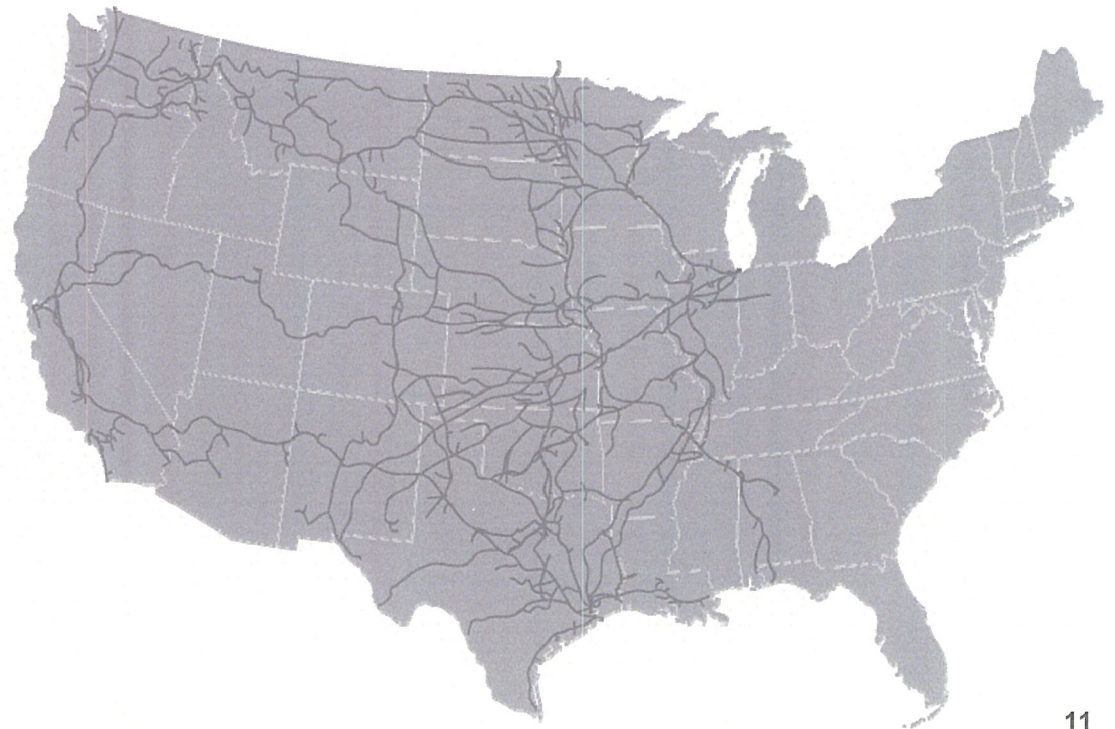
*BNSF Railway employees as of Dec. 31, 2016



BNSF is a Leading U.S. Railroad



- **32,500 route miles** in 28 states and three Canadian provinces
- **13,000** bridges and **88** tunnels
- Serves **over 40 ports**



BNSF's Predecessors



Nearly **400 railroads** merged or were acquired over **160 years**, playing a vital role in our nation's development.

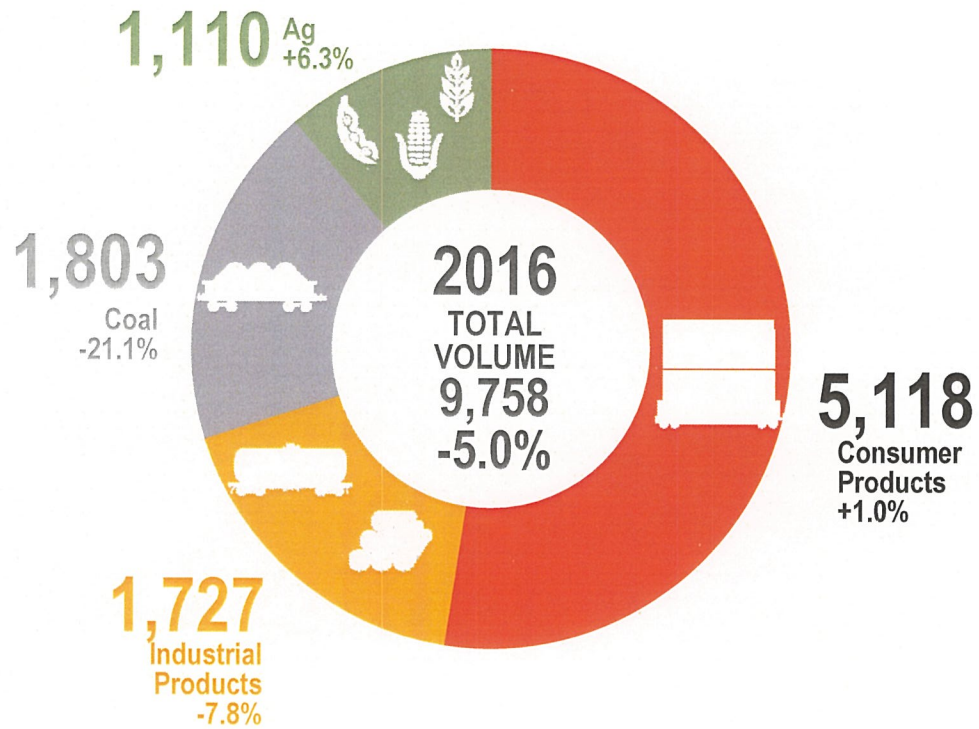


BNSF Volume – Full Year 2016



Total units and % change from 2015

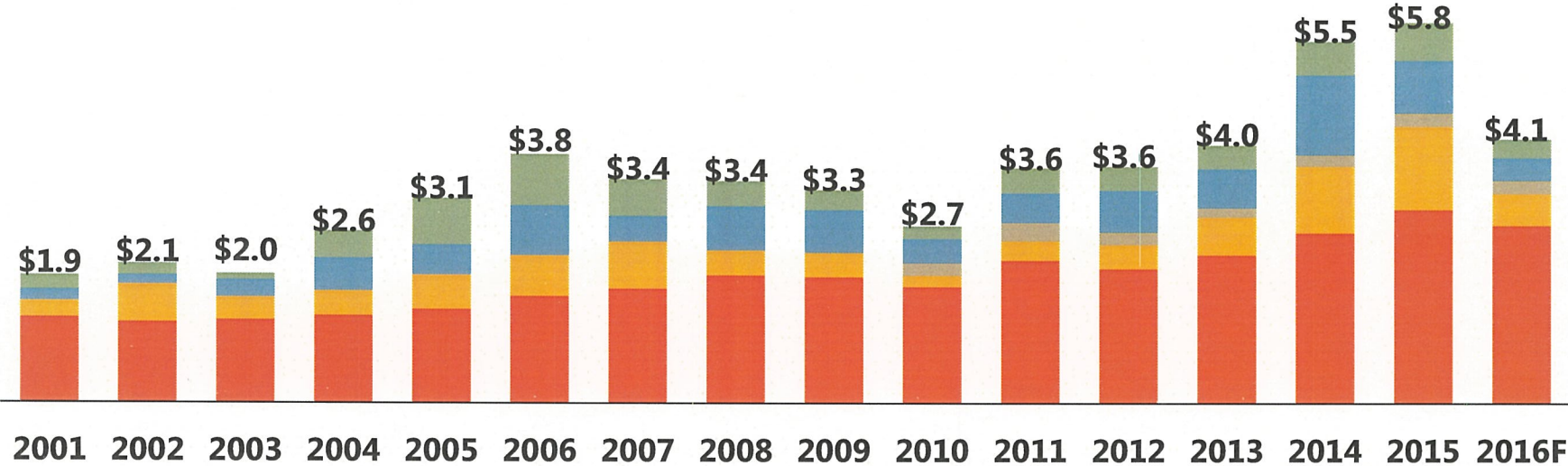
In Thousands



BNSF's Capital Investments

\$ Billions

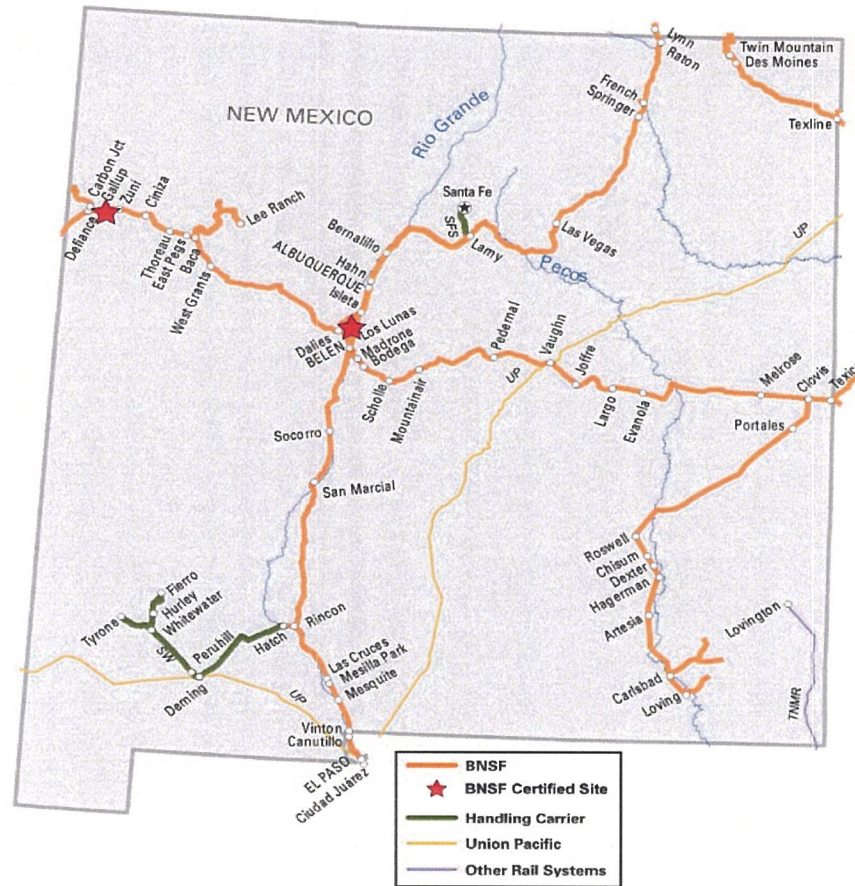
■ Replacement Capital ■ Expansion ■ PTC ■ Locomotive ■ Equipment



BNSF in New Mexico



New Mexico

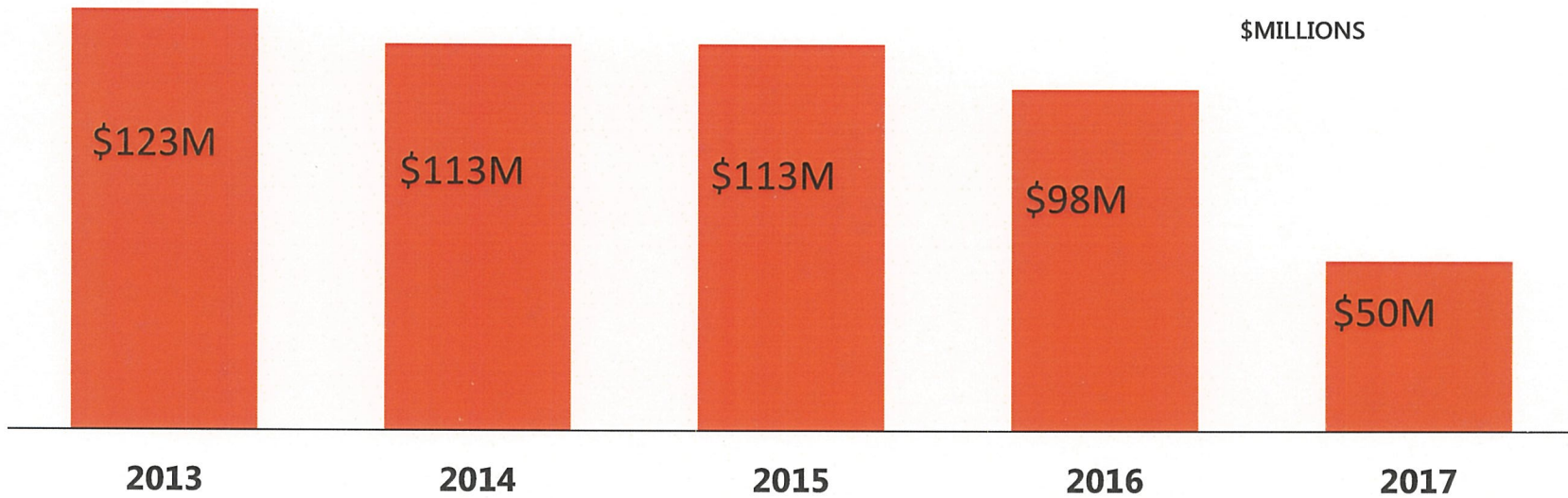


BNSF New Mexico Team



- Joe Sloan, Community Affairs
- Lindsay Mullins, State Government Affairs
- Gael Sullivan, Federal Government Affairs
- Ean Johnson, Economic Development
- Shundrekia Stewart, Public Private Partnerships
- Jared Garmon, Sales – Industrial Products
- Bryon Arita, Sales – Consumer Products
- Mignon Lambley, Agriculture Ombudsman
- Chris Howell, Tribal Relations

BNSF's Capital Investments In New Mexico



BNSF New Mexico Fast Facts (2016 figures)

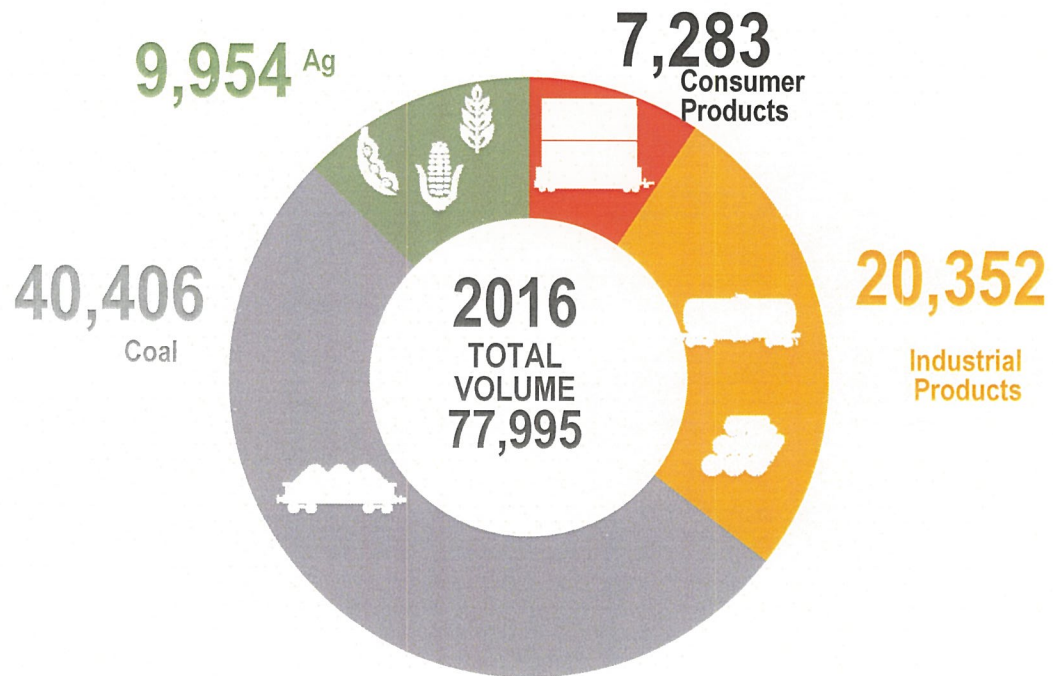


- 1,375 Employees
- \$119,459,939 annual payroll
- \$ 872,787 in foundation gifts (since 2012)
- Own or operate on approximately 1,500 miles of track
- Over 77,000 carloads originate from New Mexico
- Over 73,000 carloads terminate in New Mexico
- Over 4,000,000 carloads are handled in New Mexico

BNSF New Mexico Volume – Outbound 2016



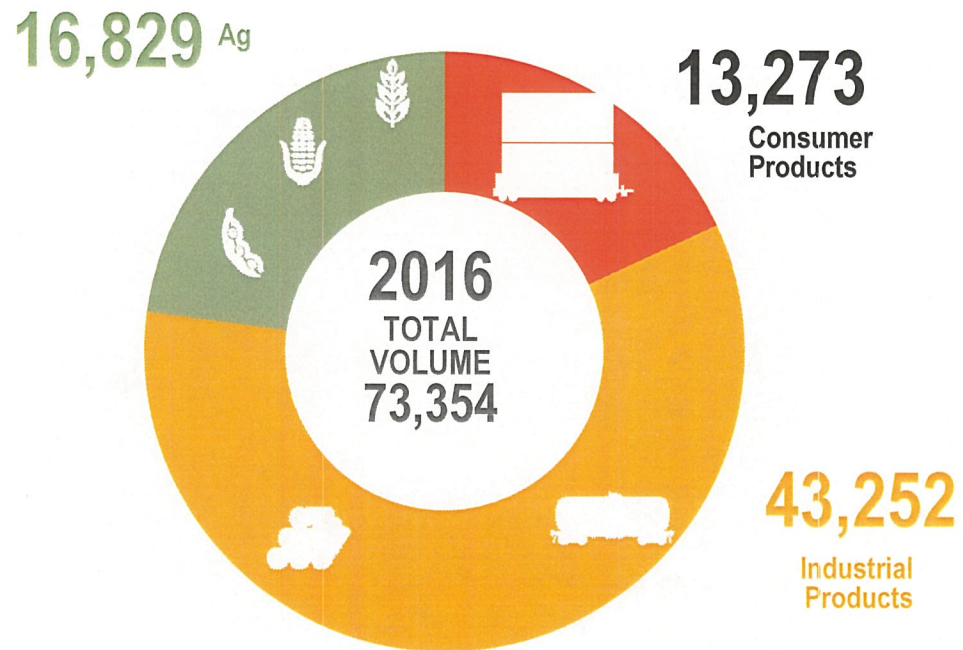
Total units



BNSF New Mexico Volume – Inbound 2016



Total units



BNSF Major Capital Projects in New Mexico



- Second Bridge over Pecos River
- Double Tracking at Vaughn
- Carbon Coal Access Road

Recent BNSF ED “Wins” in New Mexico



- Over 30 new or expanding facilities in New Mexico since 2014
- 200 jobs created & \$240M in private investment
- CIG Logistics Unit Train Sand Facility- Loving *(100 unit Sand Train)*
- 2 BNSF Certified Sites
 - Gallup Logistics Energy Park
 - Central New Mexico Rail Park
- Keter Plastics- Belen *= 150 jobs because of rail access*
- EOG Resources Unit Train Sand Facility- Loving
- New Mexico Transloading- Albuquerque

Private Parks & Site Certification Overview



PROGRAM GOALS

CERTIFIED SITE PROGRAM: A pilot program launched in 2015 to develop a collection of prospective rail-served industrial sites along the BNSF network.

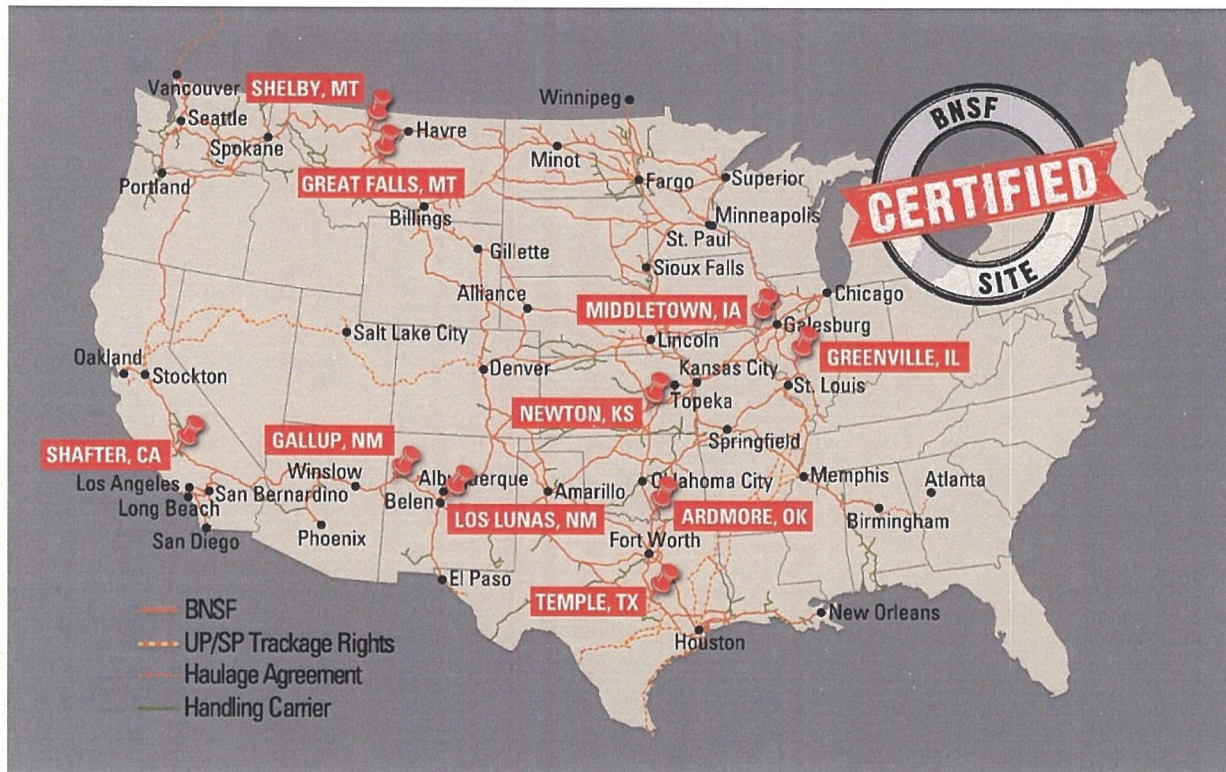
- Reduce development time, increase speed to market, reduce upfront development risk for customers
- Foster development of business parks and attract capital investment along BNSF Right of Way
- Create product inventory of available, rail-ready industrial sites for internal and external stakeholders
- Lower upfront development risk for community and industry
- Guide customers to pre-approved, choice locations along BNSF network
- Strengthen political and community relationships
- Increase wins for BNSF Railway



Economic Development Strategic Program



BNSF CERTIFIED SITES



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Thank You