

# Safety, Teamwork, Excellence, and Pride



**North Dakota Public Service Commission**



# Red River Valley & Western Railroad Company Overview

1	Total Miles of Track Operated:	627
2	Total Miles of Track Owned/Maintained:	512
3	Annual Carloads Handled*:	61,702
4	Carload Mix:	Grain, Fertilizer, Ethanol, Sugar, Corn Syrup, Steel, Aggregates
5	Owned Locomotives:	22
6	Owned Rail Cars:	305
7	Total Team Members:	115
8	Annual Railcars Repaired*:	2,738
9	Headquarters Location:	Wahpeton, ND

# Red River Valley & Western Railroad - Safety

## RRVW Safety Statistics

	<u>2021</u>	<u>2022</u>	<u>2023 YTD</u>
<b>Federal Railroad Administration (FRA) Reportable Injuries:</b>	1	0	0
<b>Federal Railroad Administration (FRA) Reportable Incidents:</b>	1	1	0

## Safety Information

- RRVW was awarded the American Short Line and Regional Railroad Association President's Award for safety performance in 2022.
- 2022 was the safest year in the 35-year history of the RRVW.
- RRVW was one dog bite away from being reportable injury free for 2021.
- The FRA reportable incident in 2021 occurred as a result of a citizen sliding into the side of a RRVW train at an at-grade crossing near Casselton.
- The FRA reportable incident in 2022 occurred as a result of a derailment within a customers' facility while RRVW was providing service.

# Red River Valley & Western Railroad - Service

## Winter 2022/2023\*

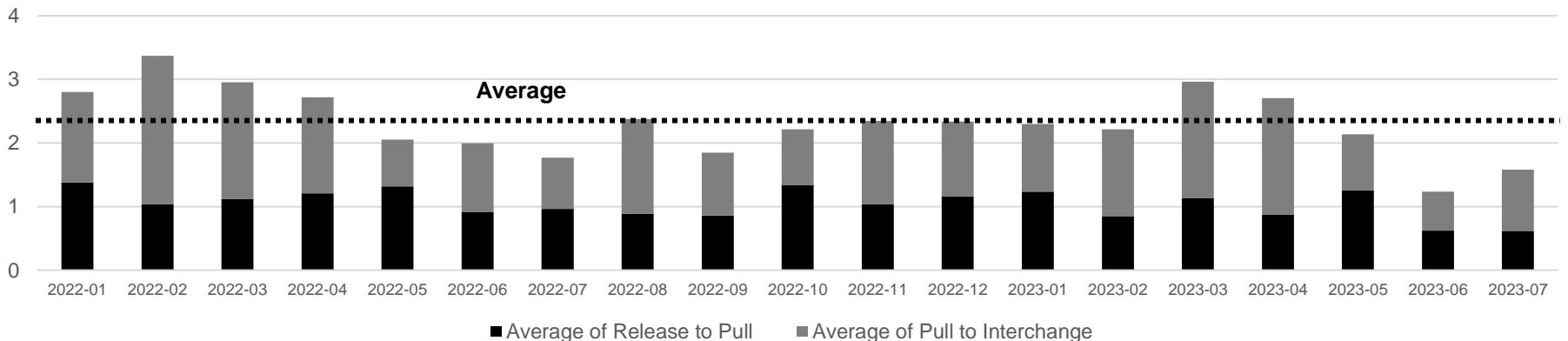
\* RRVW's SOP for winter operations aligns with the ND DOT road closures

RRVW experienced numerous service interruptions as a result of winter weather conditions.

- December: 5 Days
- January: 1 Day
- February: 1 Day
- March: 5 Days
- April: 2 Days



RRVW Manifest Release to Interchange  
In Days

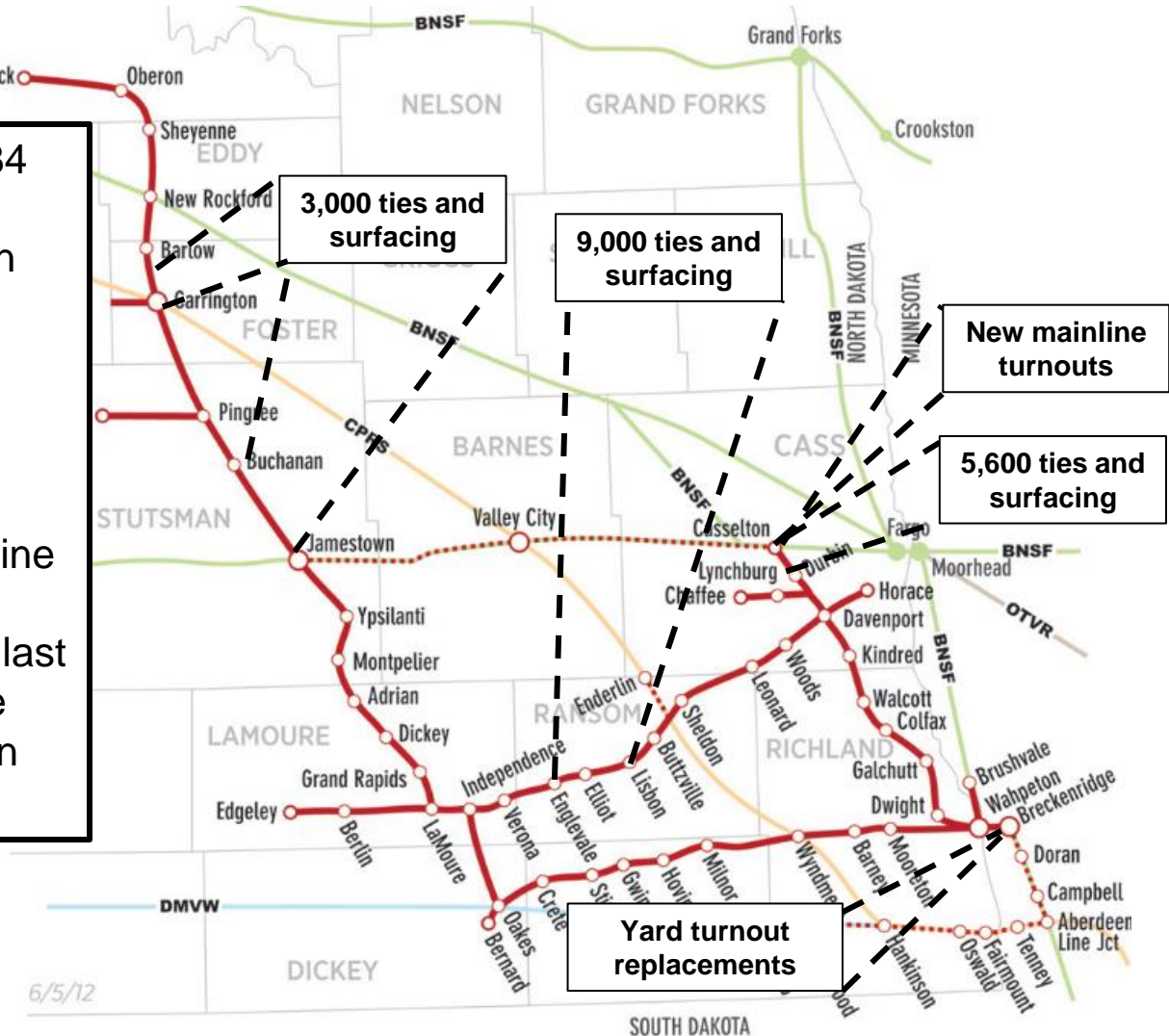


On average, it takes RRVW 2.3 days to move carload traffic to interchange from the time the customers bills/releases the equipment. The average for all business, including unit trains, is 1.65 days over this timeframe.

# Red River Valley & Western Railroad 2023 Planned Infrastructure Investment

RRVW plans on investing \$8.84 million back into the track equipment and infrastructure in 2023 to continue to improve safety and reliability. This includes:

- Routine maintenance
- Replacing 19,830 ties
- Surfacing 75 miles of mainline track
- Applying 15,800 tons of ballast
- Annual bridge maintenance
- Ultrasonic rail flaw detection
- Geometry inspection



The RRVW network is maintained to FRA Class 2 standards which allows the railroad to run at 25 mph.



**RRVW  
partnered  
with the  
UGPTI to test  
LIDAR  
inspections of  
the track**



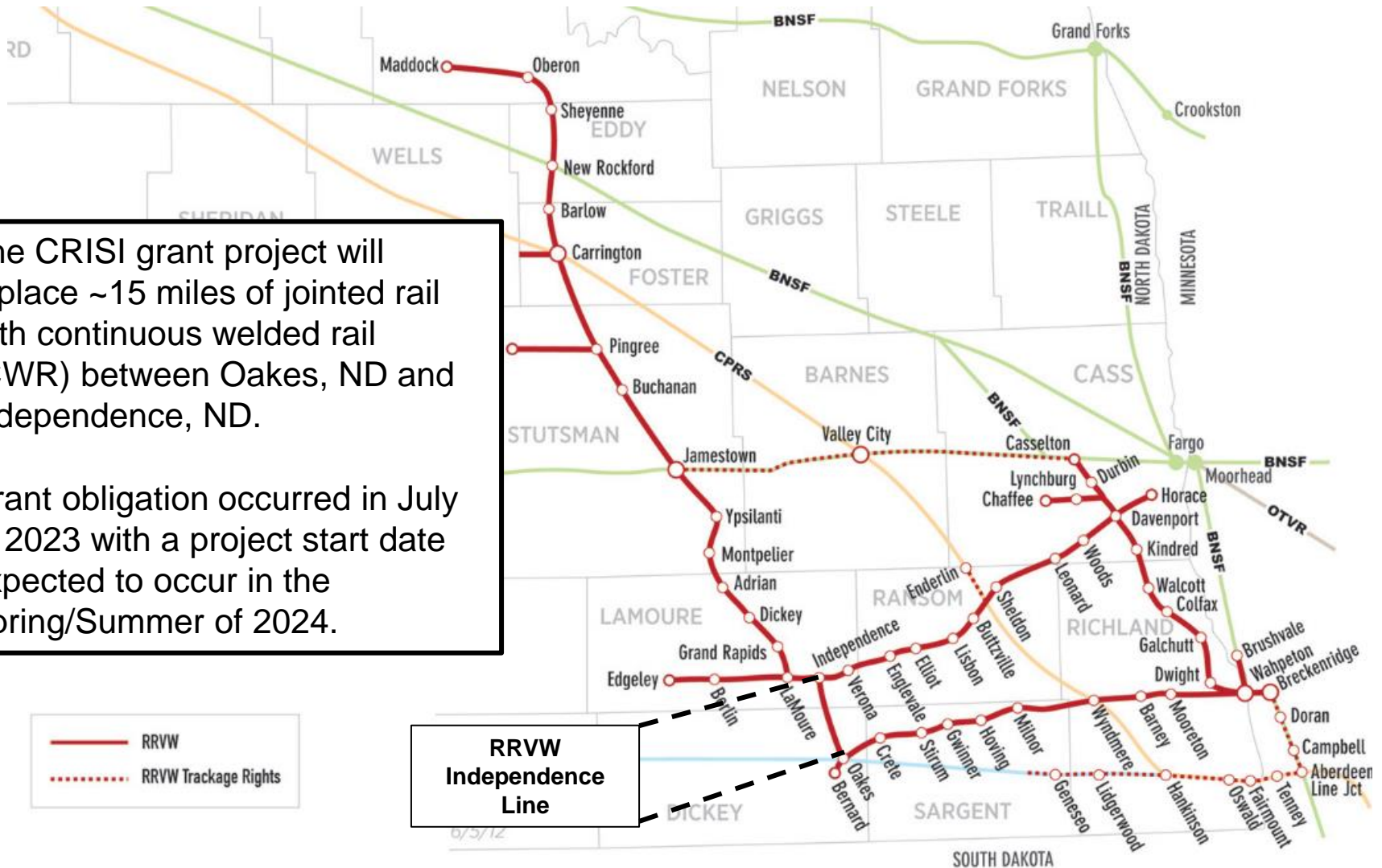
# ND DOT / RRVW was awarded a \$9.62 million CRISI grant project in 2022

The CRISI grant project will replace ~15 miles of jointed rail with continuous welded rail (CWR) between Oakes, ND and Independence, ND.

Grant obligation occurred in July of 2023 with a project start date expected to occur in the Spring/Summer of 2024.



RRVW  
Independence  
Line



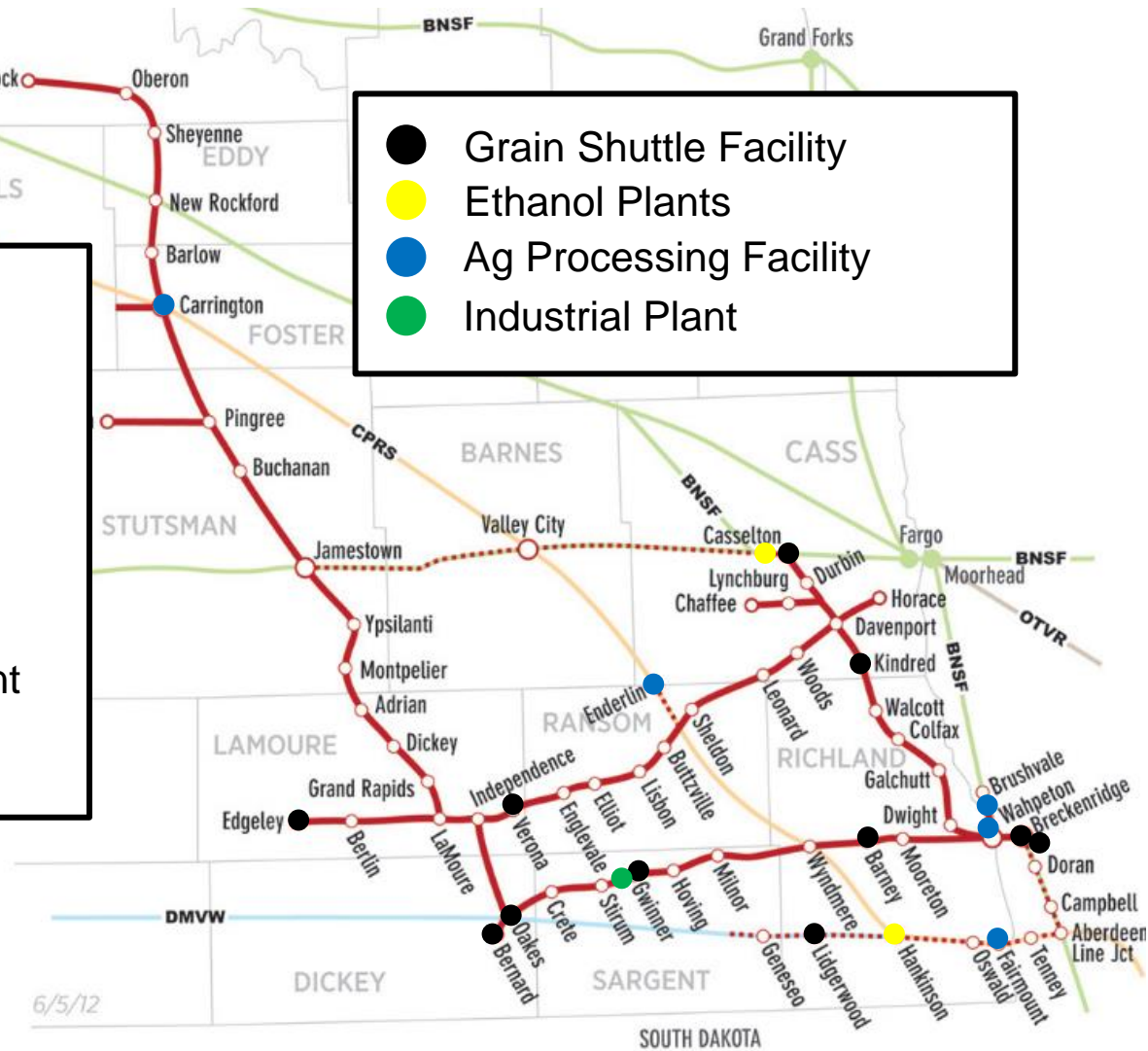


# Red River Valley & Western Railroad Summary Customer Information

In total, RRVW serves ~70 customers in ~50 different communities which includes:

- 11 grain shuttle facilities
- 2 ethanol plants
- Cargill corn syrup plant
- Minn-Dak Farmers Coop sugar plant
- Dakota Growers pasta plant
- Ardent Mills flour mill
- Bobcat plant

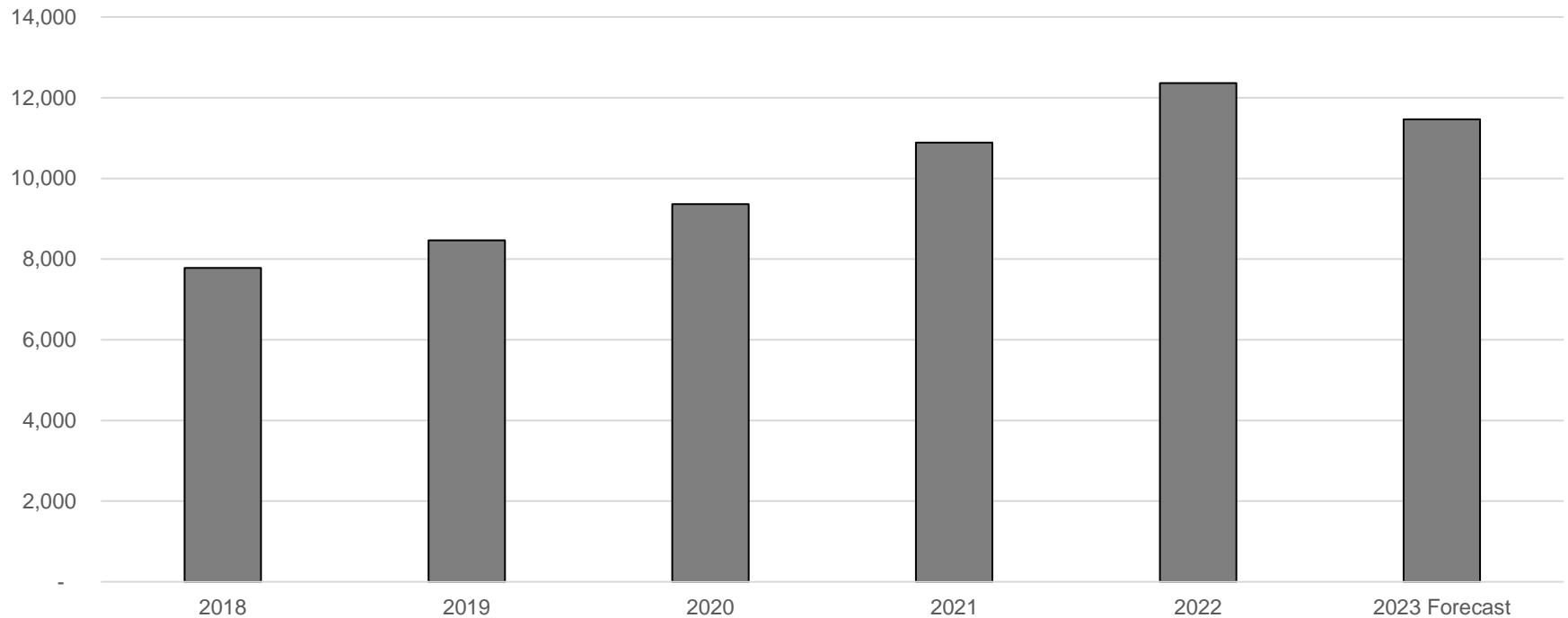
- Grain Shuttle Facility
- Ethanol Plants
- Ag Processing Facility
- Industrial Plant



A 12<sup>th</sup> shuttle facility is currently under construction and an ag processing facility is currently under construction.

# Local carload movements on the RRVW have grown 59% since 2018

RRVW Local Carloads




In 2022, RRVW moved the equivalent of ~50,000 truckloads worth of grain and aggregate from origins on the RRVW to destinations on the RRVW

# ND short line railroads formed a Coalition in 2023 to focus on freight rail network preservation





## Why short line freight railroads matter...





1. North Dakota's short line railroads operate a private freight rail network. Each short line railroad spends millions of dollars annually on track maintenance, repair, and rehabilitation to ensure safe and reliable service to rural communities in North Dakota.

2. North Dakota's short line railroads are fuel efficient. On average, a short line railroad in North Dakota can move one ton of freight 496 miles on one gallon of fuel. This is three to four times more fuel efficient than trucks.


3. North Dakota's short line railroads are innovative. Dedicated team members at each railroad use cutting edge technology, like Positive Train Control (PTC) and ultrasonic rail inspections, to ensure that the railroad can provide safe and reliable service.

4. North Dakota's short line railroads are safe. The last decade has been the safest in the history of the freight rail industry with railroad incidents reducing 31% during this time combined with the lowest level of personal injury rates in the history of the freight rail industry.



5. North Dakota's short line railroads are customer focused. Each railroad works closely with customers on tailored/specific service and industrial development to ensure that the customers that short lines serve and the communities in which they operate are successful.

## Why North Dakota should preserve the short line railroad network...





1. North Dakota's short line railroads are small and local job creators that serve hundreds of North Dakota rail customers. In total North Dakota's short line railroads move over 143,000 carloads annually which is the equivalent of 572,000 trucks.

2. There are four short line railroads in North Dakota that operate a total of 1,330 track miles across the state. In total, North Dakota short line railroads operate ~40% of the states total mainline rail network.

3. According to the North Dakota State Rail Plan, only 51% of the short line track mileage can handle the industry standard 286,000 lb. railcar loads. This means that ~650 miles on mainline short line track is not up to modern standards.

4. Rail replacement is a 50-70 year investment which requires a significant capital expenditures, and the rail traffic on some of the lines does not justify the capital expense required to maintain the rail to adequate and modern standards.

5. Rail replacement takes long-term planning and financial commitment. Delaying rail investment only further deteriorates the existing condition and potentially risks long-term rail access for some shippers and portions of North Dakota.

