

Shuck said they are expanding their terminal capability while working with the railroad, eight other states and four Canadian provinces to develop a corridor coalition to increase supply chain operations.

"We are moving from a construction and operation relationship to a business development relationship now," Shuck said. "Obviously with the shift of shipping crude by rail, a lot of fun things are happening in the energy industry right now."

Shuck is confident the Port of Vancouver will continue to grow and North Dakota will play its part in their growth. Geographically more shale plays are happening in the Port of Vancouver's favor, which is helping Bakken bottom lines.

With commitments in global distribution and emerging energy and ag markets, the rail's investment appears even more critical than ever. Overall, the rail industry has increased significantly with BNSF leading the way.

"In 2013 all rail units grew by 800,000," Rose said. "Our railroad alone accounted for half of that. That is really significant."

The increased business has been broad based according to Rose. Domestic intermodel is their largest business followed by increased ag and petroleum growths.

"Let me give you a another stat just to put it all into context," Rose said. "Over the past five-and-a-halfyears, our business inbound and out of your state has grown by 144 percent."

Then Rose continued with an even more impressive stat.

"North Dakota has accounted for 24 percent of all the volume growth on BNSF," Rose said. "We operate in 28 states and we have one state right here that's accounted for 24 percent. The volume growth has been phenomenal."

As far as the entire rail industry, North Dakota accounted for 20 percent. From 2009 to 2014 traffic Rose said the shuttle network has also grown significantly too. The state is up to 39 with one more scheduled to be completed this year.

"That certainly has been huge investments behalf of our customers of having the faith, quite frankly, in our railroad to handle the volume has allowed us to locate these shuttle locations," Rose said.

About a billion is allocated for expansion, which will allow BNSF to expand their railroad business to handle more volume, according to Rose. Additionally, about 46% of their annual revenue goes back into the railroad.

"That's the four million ties we have to put in each year, the 350 miles of track we have to replace," Rose said.

BNSF is forecasted to add 500 more locomotives with approximately 275 already integrated into the system, adding 45 per month until their scheduled goal. Once the 500 are added, BNSF's total locomotive count will be 7400. Rose believes the shear total investment into the locomotives is an all-time record for the industry.

Train and yard people account for 1890 new hires, with plans to add approximately 3000 more. In 2013, BNSF added 3000 people and is projected to add 5000 in 2014, according to Rose. Specifically, BNSF has hired 478 people thus far regarding the North Dakota offices.

"You read and hear about unemployment issues across the country, well there are no unemployment problems in North Dakota as I am sure I am speaking to the choir," Rose said. "We've had to go above and beyond to hire our employees here in North Dakota."

Rose added they have also spent about \$326 million (of \$900M) in expansion capacity and are about halfway through their maintenance plan. He also said there are signs and trends occurring within the state that should be noted.

"We've got 150 development projects happening in North Dakota," Rose said. "So if anyone thought you (North Dakota) were putting the wall up and there was no more business, well, there are 150 new businesses coming to North Dakota on our railroad alone that we've added since 2009. And that just continues, we are adding more and more."

Specifically, BNSF is projecting a \$390 million investment into North Dakota expansion and maintenance.

"I remember back in the day, during the former BN (Burlington Northern) days, the entire company would only spend \$750 million dollars, and we are spending \$390 million just in this state alone." Rose said.

Rose said he visited the Minot projects and was pleased at the progress indicated there was about 22 miles of double track completed and another 23 miles scheduled to be completed next month. Taking a step back, Rose said BNSF is confident by the end of the 4Q, \$550 million dollars will be invested into 65 miles of double track and will be in service.

"We are starting to see some of this come to fruition," Rose said. "We've had quite a bit of expansion in our Minot yard, so that is coming along. We should continue to see the velocity of the railroad to improve."

Photo by Crude Life Photography/ Paul Flessland

