

Northern Plains Railroader

Issue #7 Fall 2009



Summer Intern Program



Andrew W. Bach, pictured above, has completed his internship with Northern Plains Railroad (NPR) this summer through the Transportation and Logistics Program at the University of Wisconsin, Superior. Mr. Bach has experienced many facets of NPR Operations, from working in the office with fuel logistics to viewing our rail line from the cab of a GP 35 locomotive. We have enjoyed working with Mr. Bach and wish him much success in his future. Mr. Bach is NPR's third summer intern.

Annual NPR Golf Tourney



The NPR held its Annual Golf Tourney in June. The winning team is pictured above. L to R: Cheryl Harlow, Kevin Hjelseth, Roger Harmon, Deidre Holth.

Mark Your Calendar

November 26th & 27th: NPR Closed, Thanksgiving Holiday Observance
December 4th: NPR Employee Meeting
December 24th & 25th: NPR Closed, Christmas Holiday Observance

Wind Project Opportunity...

By Jesse Chalich
AVP Marketing/Sales



Northern Plains Railroad (NPR) had a significant opportunity this spring to handle and haul wind components over the summer for a wind farm project in Rugby, N.D. NPR partnered with Class I railroads Canadian Pacific Railway (CPR), Union Pacific Railroad (UP) and current customer Strata Corporation to establish a wind component handling facility in Devils Lake, N.D. This is the second and largest wind project opportunity the NPR has operated, the first being the Langdon wind farm. The wind components hauled to Devils Lake consisted of tower sections, rotor blades, and nacelles. All the wind components were manufactured by Suzlon Energy with the

exception of the tower sections which were manufactured by Trinity Structural Towers on behalf of Suzlon Energy.

Even though NPR had the rail point destination site selected on paper for this project, there were transportation challenges that we diligently worked through with the CPR and UP before operations could commence. Among some of the key rail transportation challenges were height, width and length limitations of these wind components. Some of our railroad bridge infrastructure is over 100 years old and to guide these components through safely took great team work.

North Dakota has an incredible wind resource, and NPR sees a significant opportunity to serve the state and surrounding communities with a dependable rail transportation service and an exceptional wind facility for future wind projects.

Energy Resource Update

Brian Dauksavage, Manager Finance

Northern Plains Railroad's (NPR) energy resources department is preparing to keep energy costs down for the upcoming winter. During the past year NPR has installed one used oil furnace in the Mechanical Shop and is in the process of purchasing and installing another in the Car Repair Shop. The used oil furnaces will give us an alternative use for the waste oil generated by the NPR. The combination of the two furnaces will reduce heating expenses and provide a quick recovery heating option for the NPR shops.

The NPR has also recently upgraded its fueling station to increase capacity and install high output pumps, spill containment, fuel use tracking and increased security. The increased capacity will allow the NPR to purchase fuel at bulk prices and make it possible to purchase larger amounts when prices are low. The high output pumps make it possible for the NPR to reduce the amount of time spent fueling which saves fuel by reduces idle time and allows more time for preventative maintenance. With the high volume pumps we have also added a large spill containment system to protect the surrounding areas.

In addition to the used oil furnaces and the new fueling station the NPR will also continue to run the Kim Hotstart engine heaters. These heaters reduce idle time, save fuel and provide warm locomotives when needed.

The NPR staff feels that we will be able to minimize energy use and cost for the upcoming winter as well providing safe and dependable service.



Safety Corner

Paul Osowski, Asst. Manager Service Operations/
Rules & Safety Officer



Don't worry this is not a picture of anything on our property, but it is what an actual derailment scene may look like. This scenario was part of the Hazardous Materials Response Course in Pueblo, Colorado.

I was one of the two Northern Plains Railroad employees who attended. We spent our mornings in the classroom learning about different tank car components and assessing tank car damage. The afternoon hours were spent in the field identifying and repairing non-accident releases, clean-ups, cleaning and purging a tank car, as well as transferring a chemical load from one tank to another. We learned the steps that need to take place when dealing with an emergency response. This class was very informative and demonstrated the importance of always being prepared and of keeping open lines of communication when the unexpected happens.

As we start into our harvest season, I would like to remind everyone to **STAY SAFE**.

- Take the extra time to think about the task at hand.
- Review the potential dangers involved.
- Take appropriate action to prevent an incident from occurring.
- Be the role model.



Pueblo, Colorado

Administrative Update

Cheryl Harlow, Manager Accounting / Administration

Continuing this newsletters' introduction to the reader of various departments involved in keeping the Northern Plains Railroad (NPR) rolling, this issue takes a look at the administrative department. The administrative department strives to better serve not only our customers, but our first customers—NPR employees. The company holds an annual employee meeting, and encourages employees to add to the list of topics to be discussed through their managers, or submitted anonymously through the Safety Suggestion Box.



L to R: Jill Hell, Cindy Johnson, Cheryl Harlow, Tami Omdahl

One topic on everyone's mind with the current healthcare reform debate has had its impact at NPR. Employee health family contributions rose 44 percent in 2009 compared a 13 percent increase in 2008. Since 2000, NPR employees have seen a 542 percent escalation in employee contributions. This trend will continue in the foreseeable future with employees absorbing the full cost of health insurance premium increases. The administrative department will continue to work to find solutions for both management and employees as the impact of healthcare reform unfolds.

The downturn in the national economy affected NPR, resulting in short term layoffs for 10 NPR employees, with all but two returning to work by spring. NPR was able, however, to meet its annual cost of living raises in July with NPR employees receiving a 4 percent cost of living wage increase. That compares with the N.D. annual average of 3.7 percent and 3.9 percent nationally.

Looking ahead, NPR's administrative staff will be handling the sale of real estate from the Mohall properties as well as introducing a new computer file management system. Microsoft Share-Point provides a single, integrated platform to manage information and applications across an enterprise with the goal of simplifying everyday tasks while making information more accessible and consistently organized. After implementation and employee training, NPR expects Share-Point will help to streamline communications and document management.

NPR's administrative department consists of three employees: Jill Hell, a seven-year employee at NPR; Cindy Johnson, a three-year employee; and Tami Omdahl, with just over one year.

A quote to share from the August 2009, Economic & Market Outlook published by Bremer Investment Management & Trust: "We encourage investors to stay focused on their long-term goals in the midst of this current market volatility. It is especially important to stay diversified and to reaffirm that our clients' current asset allocation is consistent with their long-term goals. We advise clients with time horizons less than three years to remain cautious toward risky assets."