



# Union Pacific Interline Protocol: Network Fluidity, Customer Results

## NARS 2009

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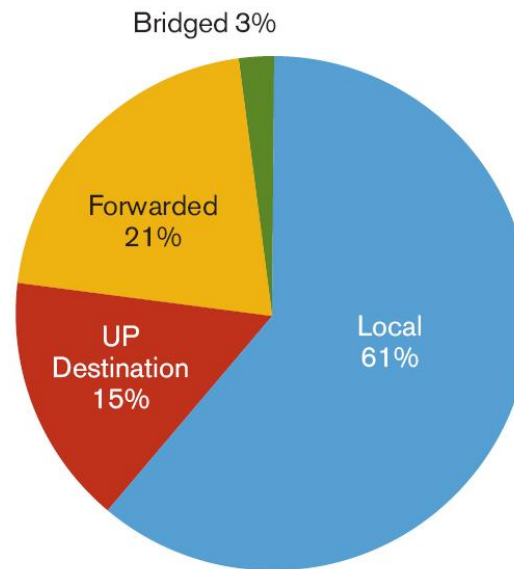
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# UP interline traffic profile

- In 2008, 39% of UP's traffic was interlined with other carriers
  - Agriculture (45%), Chemicals (57%), Energy (34%), Industrial Products (41%)
- 13.2% of UP traffic is covered by interline routing protocol

Traffic Classification - 2008 Carloads



Local = UP Origin + UP Destination  
Forwarded = UP Origin + Other Destination  
UP Destination = Other Origin + UP Destination  
Bridged = Other Origin + UP Intermediate + Other Destination

# **Traffic consolidation makes operational sense... Operational sense makes customer sense.**

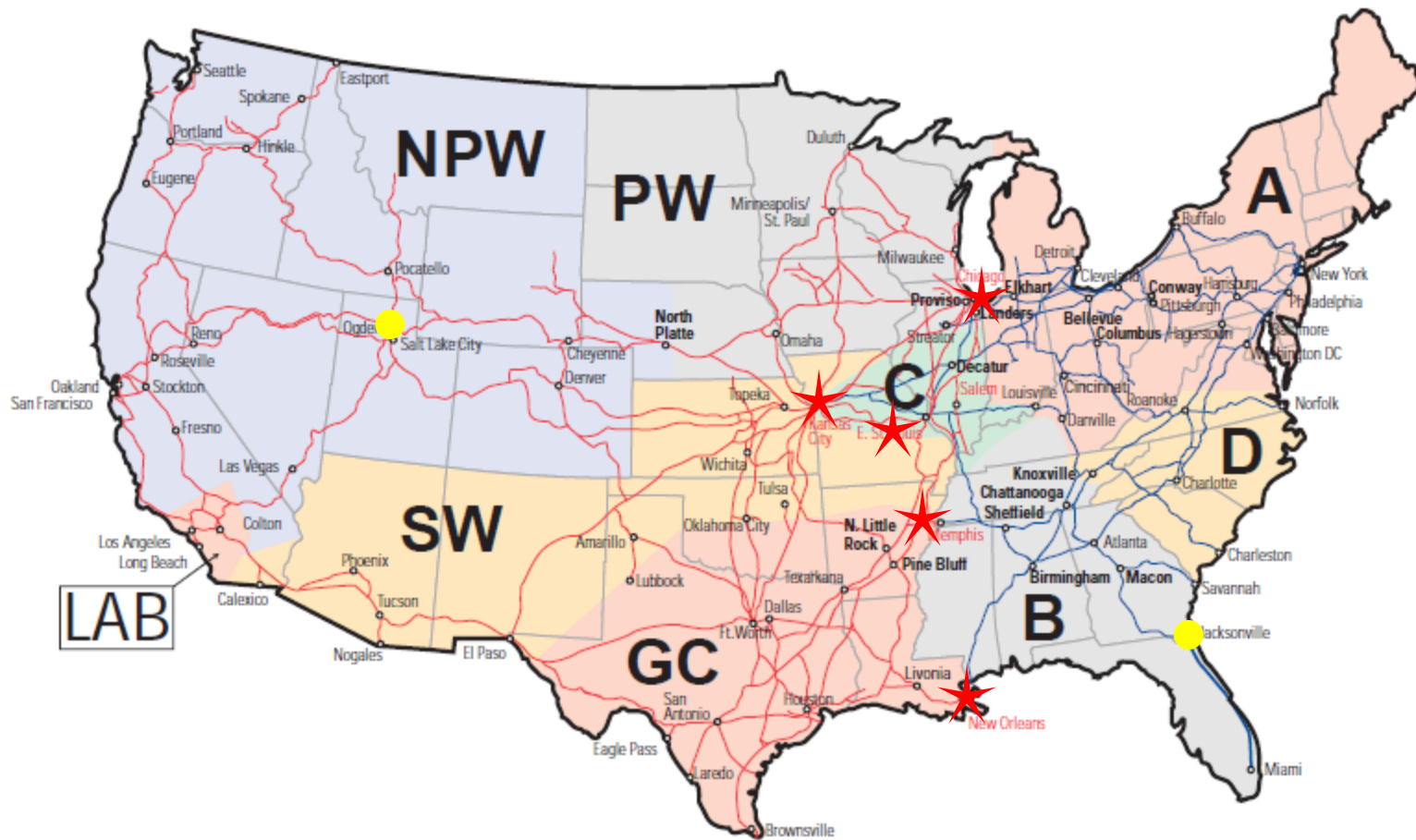
- Quick review of traffic consolidation**
- Consolidation of carload traffic is essential to running an effective, service-oriented railroad network business**
- Within UP's network, operational, and ultimately service economies are realized by funneling traffic into classification yards.**
- With routing arrangements, UP extends consolidation benefits to interline traffic.**



# Purpose: Establish best gateways for traffic interchange

- Interline protocol established gateways for effective traffic exchange between UP and other railroads
- 1999-04 UP established bilateral agreements with select carriers
- Loaded, revenue traffic only
- UP's interline protocol does not address:
  - Empty traffic
  - Auto and intermodal
  - Dimensional traffic
  - Select commodities

# UP-NS Routing Plan: Salt Lake City to Jacksonville



# UP-NS Routing Plan: Salt Lake City to Jacksonville – Gateway is Memphis

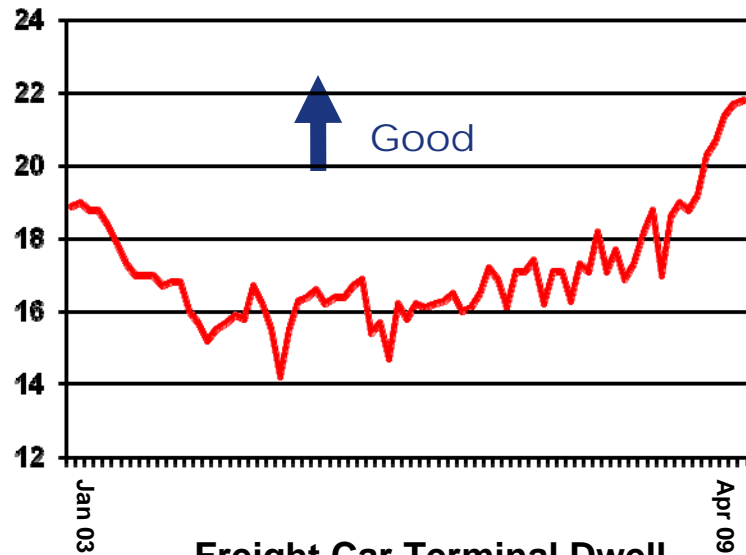
UP Regions	PW	NPW	LAB	SW	GC
NS Regions					
<b>A</b>	Chicago	Chicago	Chicago	Kansas City	E. St. Louis*
<b>B</b>	Chicago	Memphis	New Orleans	Memphis	New Orleans
<b>C</b>	Chicago	Kansas City	Kansas City	Kansas City	E. St. Louis
<b>D</b>	Chicago	Kansas City	New Orleans	Memphis	New Orleans

# Customer features and benefits

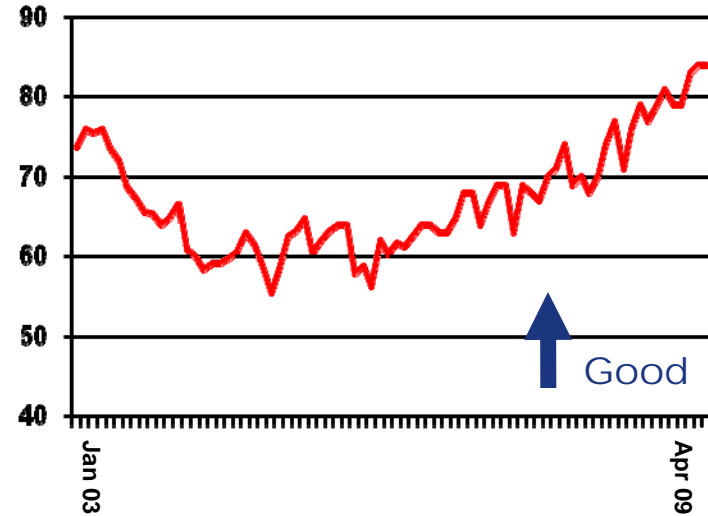
- **More reliable, consistent rail service product between major carriers**
- **Leveraging interchange traffic to major internal classification yards on both railroads results in streamlined joint-railroad service**
- **Reduced handlings = fewer potential failure points (incidents & misroutes)**
- **System-wide improved resource utilization (equipment, locomotives, crews, etc.) and additional fluidity**
- **Pre-selected gateways expedite negotiations and customer responsiveness**
- **Efficiency improvements justify infrastructure expenditures**



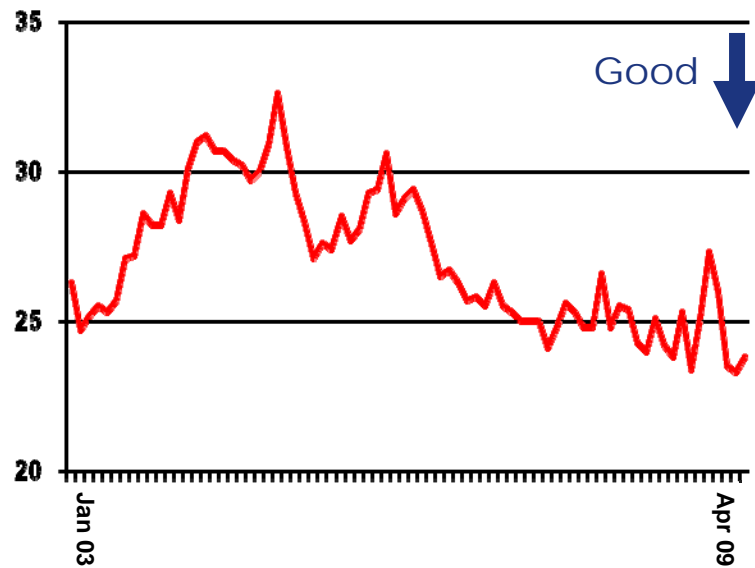
### Train Speed



### Service Delivery Index



### Freight Car Terminal Dwell



**Many UP initiatives contributed to improving UP's operational and service metrics between 2003 and 2009.**

**Better management of interline traffic has been one contributor.**

# Customer needs may merit exceptions

## – Flexibility for processing rare exceptions

- Discuss issue with sales representative
- UP evaluates exception and determines the facts of the situation
- A modification may not be appropriate
  - Recent example showed protocol gateway was saving the customer 2 handlings, and incurring only modest additional miles
- If appropriate, UP coordinates gateway change with the interline counterpart
- System-wide benefits to UP customer base of consolidated traffic are a key consideration



# Accessing gateway protocol

- **Gateway guides available on UP customer web site**
- **Routing Inquiry developments:**
  - **Routing inquiry tool will be available on UP web site**
  - **Will make gateway selection more visible to customers**
  - **Simple web inquiry determines gateway(s) for your traffic**
  - **Better routing of multiple-railroad moves, e.g. Mexico-to-Canada**
  - **Will be able to support UP shortline locations**

# UP: New Routing Inquiry Tool

**Routing Inquiry**

**Search Criteria**

Origin:     Origin Carrier:

Destination:     Destination Carrier:

[Import from Csv](#)

**Selected Criteria**

Row	Origin	Origin Carrier	Destination	Destination Carrier	Action
1	hastings,ne	UP	atlanta,ga		<a href="#">Remove</a>

- Routing Inquiry will soon be available on UP Customer Web Site.
- User enters Origin and Destination. Carrier is optional.
- A List of requests may be imported.
- Press SEARCH...

# UP: New Routing Inquiry Tool

**Routing Query Search Results**

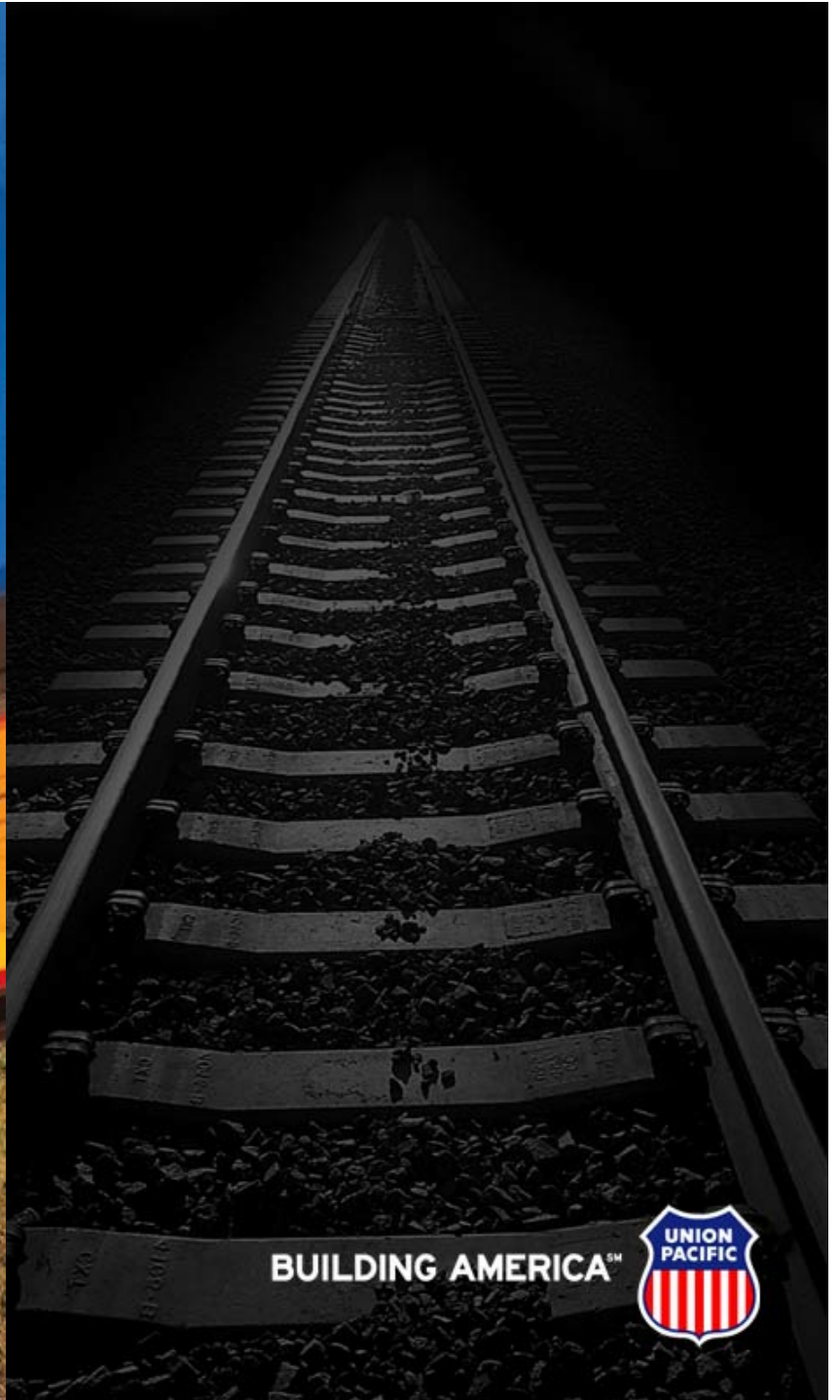
[Export to Excel](#)

Row	Inquiry Criteria				Inquiry Results		
	Origin	Origin Carrier	Destination	Destination Carrier	Route	Comments	Map
1	HASTINGS,NE	UP	ATLANTA,GA		UP -CHGO -NS		<a href="#">Map It</a>
2	HASTINGS,NE	UP	ATLANTA,GA		UP -CHGO -CSXT		<a href="#">Map It</a>

[Modify Criteria](#) [Search Again](#)

**NOTICE** □ This system provides agreement gateways or preferences for UP interline traffic. Dimensional (high-wide), intermodal, and hazardous materials shipments are generally not covered by these agreements. Please contact your M&S representative for proper routing for these commodity types.

- Output Screen lists all UP interline routes for a traffic request
- Results screen will list results for a single O-D pair or the multiple O-D pairs provided by the user
- Results may be viewed, printed, or exported to a spreadsheet
- Mapping capabilities under development for viewing routes graphically



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