

Public Private Partnerships Brochure

The Burlington Northern and Santa Fe Railway Company (BNSF) will consider public-private partnerships in cases that benefit the public and ensure the interests of BNSF customers, investors and employees are protected. BNSF has successfully accomplished a number of public-private partnerships, including:

- A partnership with several California state entities resulting in the Alameda Corridor,
- A partnership with various entities in Missouri and Kansas resulting in fly-over projects in Kansas City, and
- A partnership with Oregon DOT resulting in Connect Oregon I and II, a series of projects designed to improve connectivity between Oregon's various transportation modes.

What are public-private partnerships?

Public-private partnerships combine the business interests of companies with the diverse goals of the local, state, and federal entities who are working in the interest of the public. Cooperation between the private and public sectors may, in many cases, allow both sides to achieve their respective goals better, faster, and at lower costs.

How does BNSF approach public-private partnerships?

Public-private partnerships must be voluntary on both sides. Decisions on behalf of the public must protect the public interest and investment. BNSF's decision on whether to participate must protect our assets and the interests of our customers, shareholders and employees.

Coordinated state and federal transportation planning is necessary to ensure prudent public investments are made in the national rail network. BNSF works with local, state, federal agencies and public officials to provide whatever relevant information is needed to achieve public goals.

What factors does BNSF consider when evaluating a potential public-private partnership?

Public-private partnerships require a fact-based planning approach that:

- Describes project scope;
- Assesses impact on current freight traffic levels and future traffic growth;
- Provides a cost-benefit analyses on an after-tax risk-adjusted basis; and
- Identifies public funding sources, timing, processes and probability of obtaining funding to meet the public's timeliness objectives and achieve the public's goals.

BNSF's preliminary interest in exploring the possibilities of a public-private partnership should not be construed as a real or implied commitment by BNSF to support a project or participate either operationally or financially. BNSF's official support or concurrence of a project's benefit will follow the fact-based planning process outlined above, completion of a Memorandum of Understanding (MOU) between the parties, and BNSF's issuance of a formal statement of benefit and support.

What factors may lead BNSF to reject a potential public-private partnership?

Any public project cannot negatively affect BNSF's freight customers or BNSF's ability to provide them with consistent service, now or in the future.

Will BNSF consider participating financially in a potential public-private partnership?

BNSF recognizes public funding for rail projects should be commensurate with public benefits. BNSF's contributions to public-private partnerships will be commensurate with benefits derived by BNSF in comparison with other freight transportation projects competing for BNSF capital dollars.

Even though a project may produce some benefits for BNSF, it may not rank sufficiently high enough compared to other capital projects, or meet BNSF's internal capital investment or timeframe thresholds. When this occurs, BNSF would still support a project but would not provide financial participation.