

Published on JOC.com (https://www.joc.com)

Home > BNSF struggles persist for international loads in Chicago

Ari Ashe, Senior Editor | Nov 07, 2022 3:11PM EST



BNSF Logistics Park Chicago has been overwhelmed with ocean containers in 2022, forcing the western US railroad to ground boxes for the second consecutive year. Photo credit: Ari Ashe/JOC.com.

BNSF Railway had the longest truck turn times of the year in October at its Logistics Park Chicago (LPC) terminal, according to the Illinois Trucking Association, as the western US railroad struggles amid a lack of marine chassis.

While a slowdown in import volumes into the ports of Los Angeles and Long Beach has eased congestion at <u>BNSF Alliance outside Dallas-Ft. Worth</u>, railroads are still struggling to handle ocean containers at terminals in Chicago, <u>Memphis</u>, and <u>Kansas City</u>.

Tom Williams, BNSF's group vice president of consumer products, which includes intermodal rail, said there was still a high inventory of containers in stacks at LPC. While BNSF runs a hybrid grounded-wheeled operation at LPC, the railroad prefers to mount ocean containers onto chassis and use yard hostlers to move the combined unit to a parking spot, rather than building container stacks.

"I think that the chassis deficit issue at LPC is still significant, it's totally hinging on chassis availability," Williams told JOC.com Nov. 3. "As chassis have become more available, we'd like more of our (ocean containers) to be wheeled and so drivers just to come in and hook to those units and do a dual transaction dropping off a unit on wheels, picking up another unit on wheels, and go."

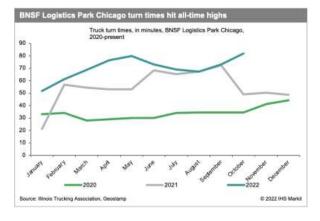
BNSF said progress has been made at the railroad's ITS Conglobal container spillover lot in Joliet, where the pile is less than 300 boxes and new cargo hasn't been shuffled over in more than five weeks. Using spillover lots to handle imports was one of the <u>lessons learned</u> by railroads from 2021, although trucking companies still complained that containers at ITS Conglobal were getting buried in the stack and impossible to retrieve this spring and summer.

Rising turn times linked to chassis

Truck turn times at LPC averaged 82 minutes last month, up from 49 minutes in October 2021, according to the Illinois Trucking Association and Geostamp. The October 2022 average was also the highest monthly average for LPC since data collection began in 2019.

Scott Hernandez, BNSF's assistant vice president of intermodal strategy and innovation, said the high turn times are the result of the chassis shortage in the Chicago market.

Truckers are taking empty and export containers to a crane to separate the box and chassis so they can reuse the chassis for an import load. BNSF wants truckers to drop off outbound loads in a parking



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spot, but drivers are unwilling to do so because it means surrendering the chassis. Drivers are worried they won't find another chassis.

"Over the last 60 days, we've seen a dramatic shift in the number of truckers that are being directed to the wheeled parking lot to drop their units, but they are choosing to go to a stack to get unloaded so they can keep their chassis," Hernandez told JOC.com Nov. 3. "At one point in October, our wheeled parking lots were at 35 percent of capacity, which we know the demand would dictate that to be at a higher percentage."

It's a chicken-and-egg dilemma, of sorts, in a wheeled terminal. BNSF will load empty containers and export

loads onto a train, then reuse the freed chassis to mount import loads. Drivers pick up and drop off loads from parking spots, which creates quicker turn times in normal conditions.

Chassis supply, however, has been scarce in Chicago as trucking companies monopolize chassis to prevent draymen from wasting time locating available equipment.

Offsite lot issues

Williams said while operations weren't always smooth at the ITS Conglobal Joliet depot this year, other options were no better.

"The alternative to having fewer (ocean containers) at ITS Conglobal in Joliet, and other offsite locations, would have been to keep more dwelling at the ports in Southern California," Williams told JOC.com. "Maybe they were pushed into the Chicago market too heavily before the market could consume them, but that is the tradeoff."

The alternative would have been to operate similar to rival Union Pacific Railroad, which kept some containers in Southern California terminals for more than 80 days before moving them inland, according to cargo owners.

While the ITS Conglobal Joliet depot is more fluid today than three months ago, truckers have said the congestion is shifting to other offsite lots.

A trucking executive who did not want to be identified said BNSF is putting more loads into Lot 17, located about two miles from LPC. The executive said containers are often shuttled into Lot 17 over the weekend, causing significant backups on Mondays.

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