



Northern Lines

2026

Message from Jim McDonald



News for Customers, Employees & Friends of the Northern Lines Railway



As Northern Lines Railway reached the 20th anniversary of our operations, we were excited to be selected for BNSF's exclusive Shortline Select™ program. Through an unre-

lenting focus on safety and customer service, NLR has become a leader among our peers in the short line industry. The program will support NLR's ongoing efforts to reduce dwell time and improve interchange fluidity for our customers.

Meanwhile, back at the railroad, we continue the rewarding work of moving our customers' freight.

In 2025, NLR made additional investments in our right-of-way, worked diligently with our partners to keep everyone safe, supported the wonderful community where we live and work, and continued to strengthen relationships with our customers.

I am also excited to announce that in 2025, NLR earned the American Short Line and Regional Railroad Association's Jake Award with Distinction for the previous year. The Jake Award serves as a benchmark for safety performance in the short line industry and has become the hallmark of the industry's commitment to "Safety

Continued on Page 2

Inside this issue...

- P2 • Stay Focused
- P3 • Jake Award (again!)
- P3 • Building the Future
- P4 • Team Strength

We're Celebrating
our selection by BNSF to join its
exclusive Shortline Select™ Program!



BNSF
RAILWAY

New Commercial, Operating, & Economic Development Opportunities for NLR Customers

We were grateful to join the BNSF Shortline Select™ program in November. This recognition strengthens our ability to provide customers with safe, efficient, and environmentally responsible service.

"I'm proud of our team for earning the selection. It reflects their work ethic, integrity, and commitment to doing the right thing every day. Meeting BNSF's high-performing shortline criteria is a team effort, and we'll continue to honor that trust moving forward," says Jim McDonald, General Manager.

The criteria include commercial, operating, and development performance, according to BNSF. As a participant in Shortline Select, NLR has the opportunity to collaborate with BNSF on economic development and growth initiatives through:

- a network of more than 400 transloaders across the BNSF system;

- an inventory of available, rail-ready industrial sites that are pre-approved for development, increasing speed to market; and
- a program of operational process improvements with pre-defined economic arrangements with BNSF that enables expedited responsiveness to customer rate requests.

20 Years of Success

NLR's inclusion in Shortline Select coincidentally occurred as we completed 20 years of successful operations over BNSF's track.

"These developments are another validation of our dedication to safety, investment, and customer collaboration that have made NLR, along with our other railroads, successful," says

Continued on Page 2



Message from Jim McDonald

Continued from Page 1

First, Every Day." This marks the tenth time in the last eleven years that we have earned an ASLRRRA safety award.

We know our customers well and see them often. Our close-knit team works together virtually every day, and our community is important to all of us. With operations that are this close and personal, safety is much more than an important task. It is the first and last thing we think about every day.

We look forward to another safe and prosperous year for everyone associated with NLR.

Jim McDonald
General Manager
Northern Lines Railway

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BNSF Shortline Select

Continued from Page 1

Peter Gilbertson, President and CEO, Anacostia Rail Holdings.

"We are honored to join BNSF's Shortline Select program," says Katie Sackett, Senior Director, Sales and Marketing, Northern Lines Railway. "Our two-decade relationship with BNSF has always been focused on supporting safe, efficient, and green supply chain options for our customers, and this new initiative is a welcome next

step. We look forward to growing our partnership for many years to come."

The Shortline Select program combines the benefit of shortline customized service with BNSF's vast network reach, spanning 32,500 miles, 28 states, and three Canadian provinces.

In the program's first year it has shown proven results by reducing car dwell time, improving interchange fluidity, and growing traffic. ♦

Anacostia On the Move

by Todd Nuelle
Chief Commercial Officer, Anacostia Rail Holdings

Focus



As the Chief Commercial Officer for Anacostia Rail Holdings, I'm thrilled to be part of this great team, working with all of you who keep our railroads moving—including Class 1s, transload partners, and the entire ARH family. At the heart of everything we do are

our customers.

My approach is simple: listen first; respond with purpose; and deliver solutions that go beyond what's expected. I believe in rolling up our sleeves, staying resourceful, and remaining persistent, especially when times get complicated.

According to my friend Google, the phrase "May you live in interesting times" has uncertain origins. Some say it's British, others trace it to an old Chinese proverb: "Better to be a dog in peace than a human in times of chaos." Today's intense rate of change certainly makes these interesting times.

Yet change is nothing new to this industry. Across every part of the rail supply chain—from operations to customer service—we're all experiencing transformation in real time.

So what do we do? We focus on what we can control.

At all the Anacostia railroads, including NLR, that means keeping safety front and center—in our yards, on our tracks, and in every move we make. It means staying close to our customers, listening to their needs, and delivering smarter, faster, more efficient service.

I'm proud that NLR was recently named to BNSF's Shortline Select™ program, recognizing our strong partnerships and shared commitment to long-term growth.

As we navigate these "interesting times," let's keep doing what this industry does best: adapt, collaborate, and move forward with purpose together. ♦



St. Cloud-area first responders were trained on a trailer fitted with rail tank car fittings as part of the Short Line Safety Institute HazMat session hosted by NLR.

Stronger Track, Stronger Service

We often focus on crew behavior, training, and rules when it comes to safety, but the condition of the railroad also has a major impact.

Thanks to ongoing capital investments, NLR continues to strengthen and enhance our track infrastructure. These investments make it possible for us to maintain safe, reliable operations while pursuing important upgrades. Over the past year alone, this support enabled us to complete several key projects, including:

- switch rebuilds;
- yard track 11 tie renewal; and
- yard track 13 tie renewal.

These improvements reflect our commitment to delivering dependable service and ensuring long-term operational excellence.

NLR General Manager McDonald adds, "Ongoing investment in our track infrastructure is a key factor in ensuring safe and reliable operations. These improvements are designed to support safe, reliable operations." ♦

Safety Awards and Action

What could be better than winning an American Short Line and Regional Railroad Association Jake Award with Distinction? Winning the award two years in a row!

Not only did NLR earn this prestigious award back-to-back for 2023 and 2024 (received in 2024 and 2025), but we have been an ASLRRRA safety award recipient in 10 of the past 11 years.

"It bears repeating," says NLR General Manager McDonald, "this literally didn't happen by accident. I want to also emphasize that we know safety isn't the result of complacency. Everyone on the NLR team remains committed to viewing safety as our first job each and every day."

As part of that commitment last year, NLR hosted a Short Line Safety Institute hazardous material training session for area first responders.

According to the Institute, "The

Hazardous Materials Training Program is designed to enhance and elevate your current training. The Program helps ensure employees are conversant and compliant with the latest regulations guiding the transportation of hazardous materials; provides function specific training; and reviews emergency response procedures.

"It provides a winning combination of instruction, hands-on training, and interactive experience-based discussions tailored to meet your railroad's needs. Our expert instructors...have 700+ years of combined experience in hazardous materials transportation safety."

Classroom training for the first responders who participated was enhanced with field experience. This included sessions on a special trailer which is equipped with rail car valves and hatches commonly found on tank cars.

"This kind of experience better prepares our partners for what to expect if they encounter hazmat equipment on a railroad," says McDonald. ♦

NLR Welcomes Jim McDonald—Ready to Keep the Momentum Rolling

NLR is pleased to welcome Jim McDonald as its new General Manager, a milestone appointment that marks an exciting new chapter for the railroad. Jim brings decades of railroading and business experience to the role, along with a proven record of leadership and operational excellence.

When speaking about his new role, Jim said: "I am excited to take on this new challenge and look forward to building on the strong foundation NLR has established. My focus will be on growing the business while maintaining our commitment to safe, efficient, and reliable operations."

Jim joins us from sister Anacostia railroad, the Louisville & Indiana Railroad Company (LIRC), where he served as trainmaster starting in March 2024 and quickly established himself as a force for positive change within the organization. His railroad career began back in 2011 with the Indiana Rail Road Company, where he built his expertise from the ground, advancing through roles including trainmaster for the Senate Avenue Terminal in Indianapolis and manager of train operations.

"The appointment of Jim to the GM role reflects both the evolving needs of NLR and our confidence in his ability to meet them," said Mike Naatz, COO, Anacostia Rail Holdings. "His leadership will be instrumental in driving the railroad's continued growth and long-term success."

Please join us in congratulating Jim on this well-earned appointment. We can't wait to see what's ahead for NLR under his leadership! ♦



Here are a few notes about what's new with our railroad over the past year.

Top Honor for ARH Safety Leader Crosson



Herman Crosson, Chief Safety and Compliance Officer, ARH was awarded the prestigious ASLRRRA Safety Professional of the Year Award at the ASLRRRA 2025 Annual Convention, April 6–8.

"This honor belongs to everyone in the Anacostia family," Crosson said. "From new hires to our veterans, all are focused on the safety of their fellow workers, community, and shippers."

"We know Herman as someone who cares deeply about the safety of our team," says Peter Gilbertson, President and CEO, ARH. "This is a well-deserved recognition, and we couldn't be prouder." ♦



Our own Mark McDonald, Operations and Compliance Manager (at right), and Richard Hansen, State Coordinator at Minnesota Operation Lifesaver, Inc., at the 2026 St. Cloud Quarry Open House.

NLR in the Community

As part of National Safety Month, NLR partnered with Operation Lifesaver and Martin Marietta at the 2026 St. Cloud Quarry Open House to promote rail safety.

Mark McDonald joined Minnesota Operation Lifesaver Coordinator Richard Hansen in sharing safety resources with attendees. NLR also gives back locally, supporting Fisher House Foundation for veterans and families, the Greater St. Cloud Public Safety Foundation for first responders, and VFW Post 428. ♦

NLR and Rockville Propane Welcome Congressman Emmer Delegation



Northern Lines Railway welcomed representatives from Congressman Tom Emmer's office and Rockville Propane Terminal to discuss freight rail's role in supporting central Minnesota's economy and supply chains. Pictured (L-R): Jim McDonald, General Manager, Northern Lines Railway; Shelby Novotny, District Representative, Representative Tom Emmer's Office; Taylor Reaves, Chief of Staff, Representative Tom Emmer's Office; Pat Wenner, President, Rockville Propane Terminal; & Peter Gilbertson, President & CEO, Anacostia Rail Holdings.



Milestones

The small and powerful workforce at NLR provides great service to our customers, protects our communities, and supports advancements in the freight rail industry.

NLR employees celebrated the following milestones through October 2025. We thank you for your service.

Employee Anniversaries

Mark Muraski
17 Years

Joe Kedrowski
10 Years

Katie Sackett
6 years (9 with Anacostia)

Jordan Przybilla
3 Years

Thanks to our employees for all you do!

Our Employees Matter

Our team at NLR is reliable, conscientious and great at what they do. We hold monthly safety lunches to review rules and potential hazards. These lunches grow trust, build camaraderie and help to make our team successful. Thank you to all of our employees!

