

How tomorrow moves [CSX]



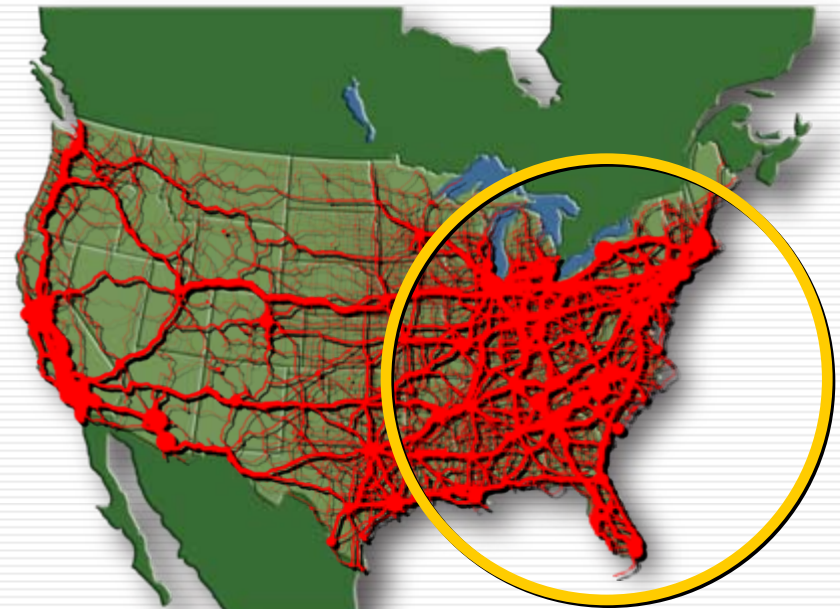
The National Gateway
Preparing for Tomorrow
June 2009

Transportation demand is on the rise and congestion is getting worse

Today



2020



CSX Territory

Truck Volume Scale



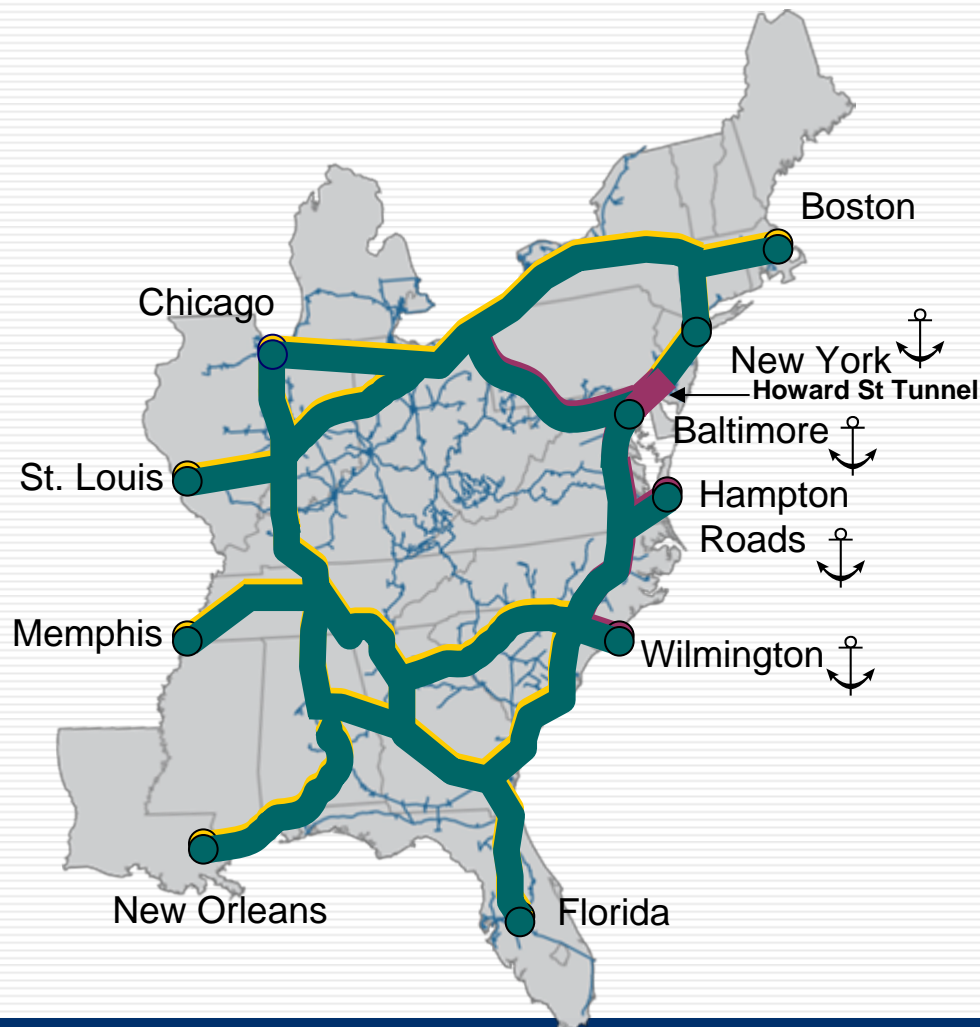
Source: USDOT FHWA Freight Analysis Framework

CSX is working to meet these challenges



- Increased need for supply chain flexibility
 - Shifting global supply chains
 - Globalization, Panama Canal expansion favor diversification to East Coast ports
- Intermodal freight transport increasingly critical to meeting nation's transportation needs
 - Combined efficiency of freight rail and flexibility of highway transportation

The National Gateway: critical to meeting freight transportation demands



- Creates a double stack network along key corridors
- Improves the flow of freight between the Mid-Atlantic and Midwest, as well as the nation

National Gateway enhances the intermodal network

Clearance and infrastructure work needed

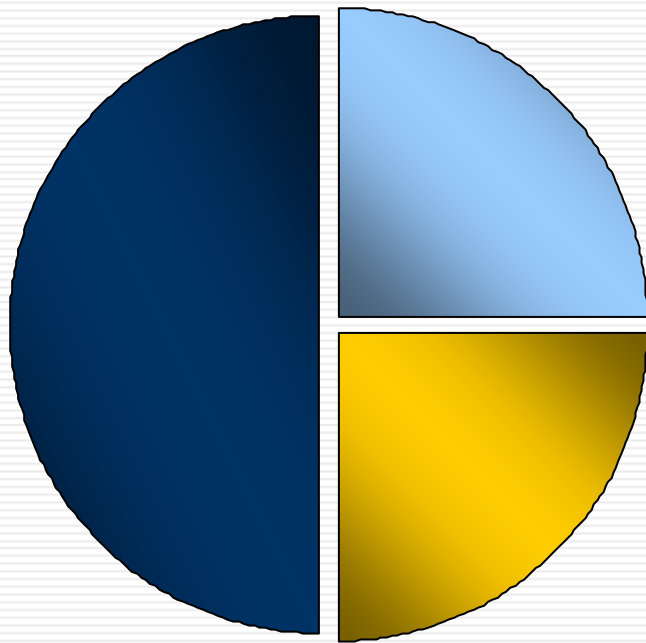
- 61 clearance projects in 6 states and the District of Columbia to achieve 21" clearance
- Construction work varies from minor modifications to complete reconstruction of bridges, tunnels and other infrastructure
- 6 new/enhanced terminals along the National Gateway corridors utilizing the latest technology

New and enhanced terminals

- Chambersburg, PA
- Charlotte, NC
- NW Ohio Intermodal Yard
- Columbus, OH
- Baltimore/Washington DC
- Pittsburgh, PA



National Gateway costs and funding



■ Federal ■ State ■ CSX

Federal = \$194 Million

State = \$193 Million

CSX = \$387 Million

Total = \$774 Million

***\$16 in public benefits for every
\$1 of public funds invested***



National Gateway provides solutions to our nation's challenges, over \$6 billion in public benefits

■ **Stimulates the economy.**

- Creates jobs and provides economic development through terminal construction

■ **Positions U.S. to compete in a global economy.**

- The National Gateway improves the efficiency of our transportation network and saves over \$2.7 billion in logistics costs.

■ **Reduces highway maintenance costs, congestion and improves safety.**

- The National Gateway shifts nearly 3 billion freight vehicle miles traveled from the highway to the railway, saving over \$550 million in highway maintenance costs and nearly \$460 million in safety savings

■ **Reduces greenhouse gas emissions and helps improve air quality.**

- The National Gateway will improve the flow of freight by rail, reducing fuel consumption by 250 million gallons. This improved fuel efficiency saves over 2.5 million tons of CO₂ emissions.

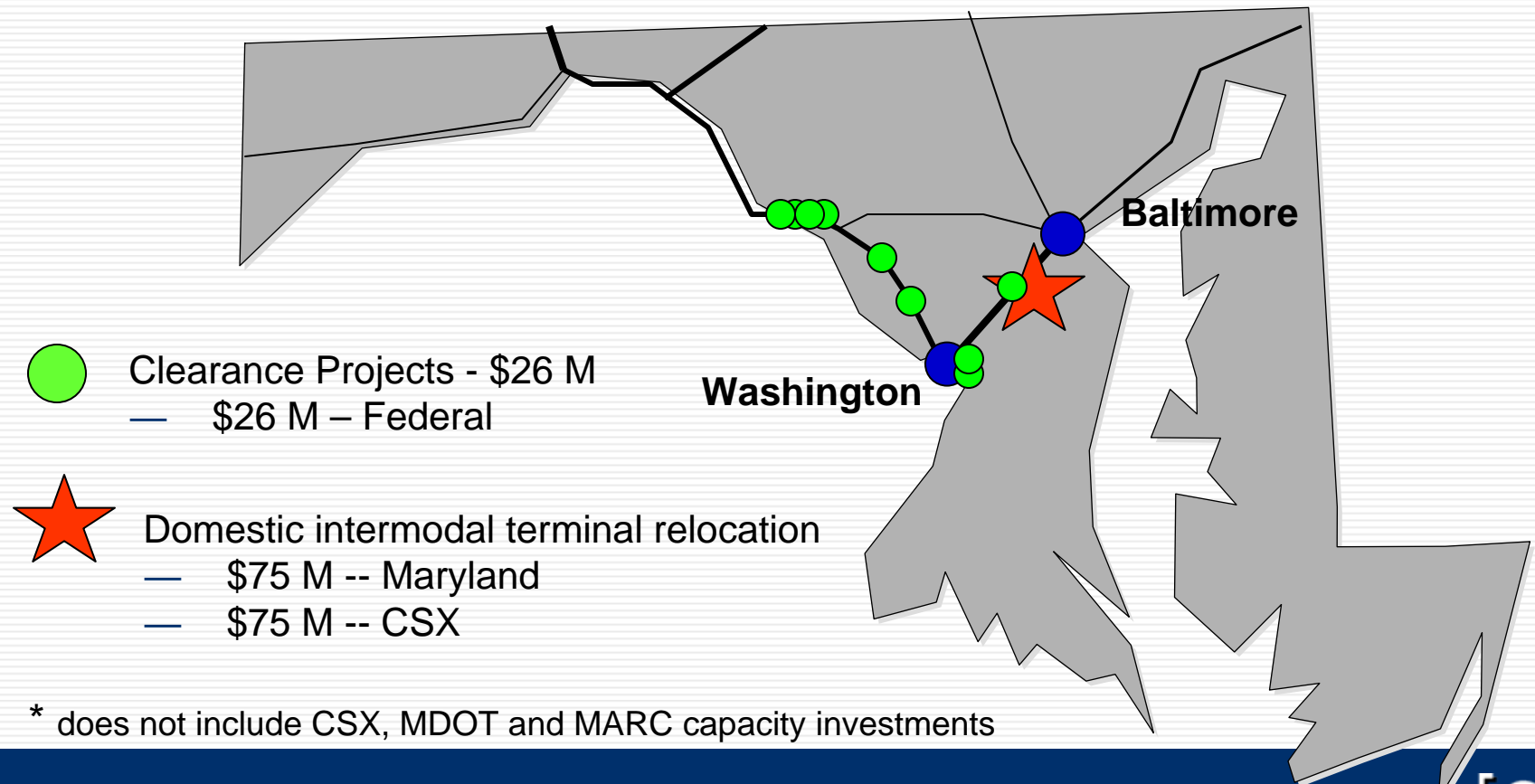
National Gateway - Freight Rail Works

- Freight growth is coming
- The Washington region's ability to handle this increased traffic efficiently benefits the public
 - By expanding rail access and lessening overall freight shipping costs for the Washington region
 - By reducing congestion and lowering highway maintenance costs, as one train can carry the load of more than 280 trucks, equivalent to over 1,100 cars
 - By shifting about 70,000 trucks off District area highways each year = less cars cutting through the city to avoid highway delays
 - Through, a new intermodal terminal to serve the region
 - By elimination of key passenger (Amtrak/MARC/VRE) and freight bottlenecks with an efficient double-stack and double-track route through DC

National Gateway – Investment in Maryland

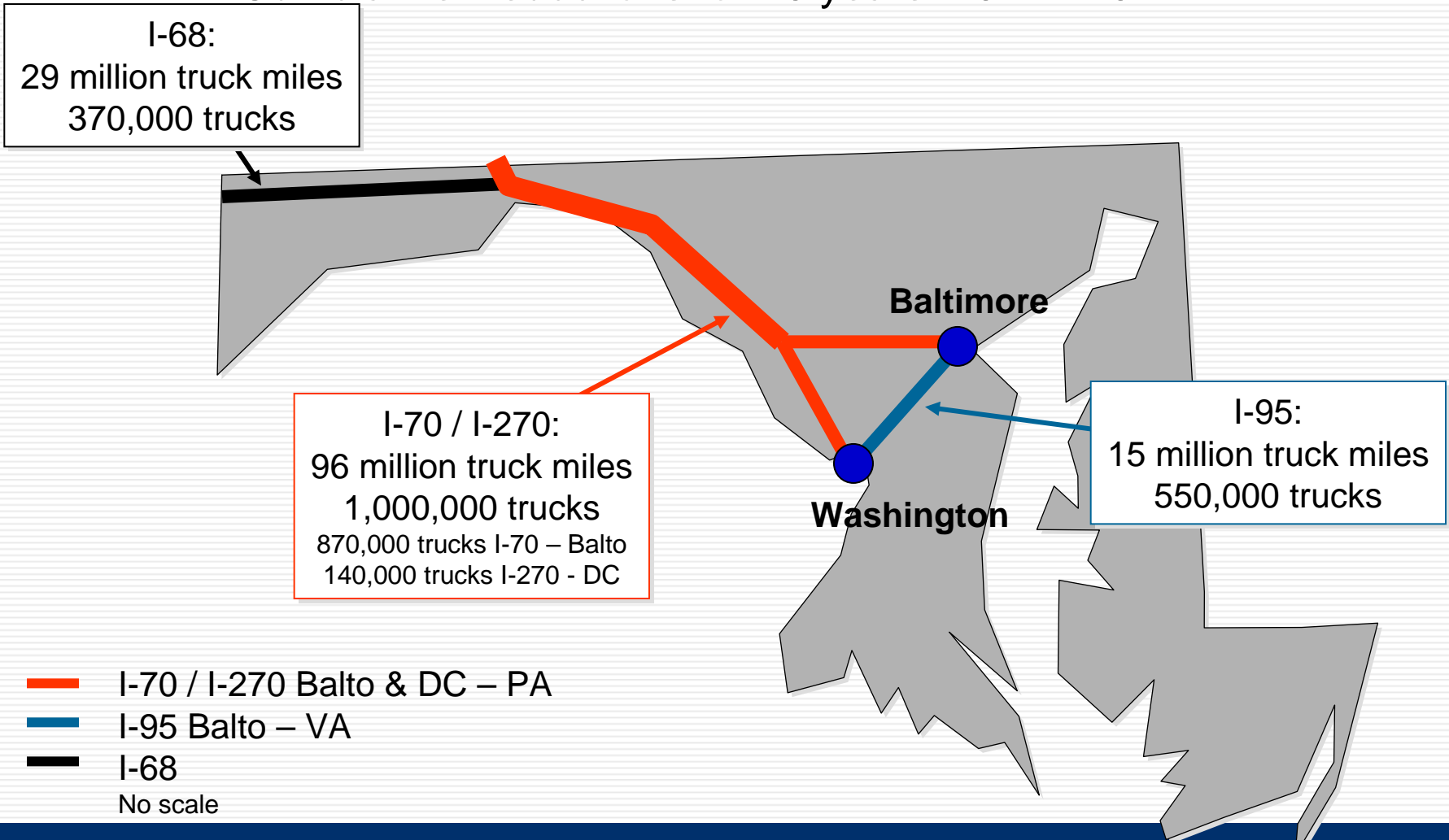
■ Total investment - \$176 M*

- \$26 M – Federal
- \$75 M – Maryland
- \$75 M - CSX



National Gateway - Maryland Highway Impacts

Cumulative Reductions for 10 years: 2012 - 2021



Maryland – Benefits by 2021

■ Construction*	
— Clearance projects	\$ 26 million
— Seagirt Terminal relocation	\$ 150 million
■ Highway benefits	
— Maintenance	\$ 33 million
— Environmental	\$ 4 million
— Safety	\$ 27 million
— Shipper Logistics	\$ 350 million
■ Employment	
— Jobs: 42	
— Wages**	\$ 28 million
■ Environment	
— Gallons of fuel saved	Nearly 18 million
— Tons of CO2 saved	>200,000
■ Total Public Benefits	> \$850 million

* Construction investment not including economic benefit multipliers, ** direct, indirect, induced jobs

How tomorrow moves



National Gateway – Investment in Virginia / DC

■ Total investment - \$158 M

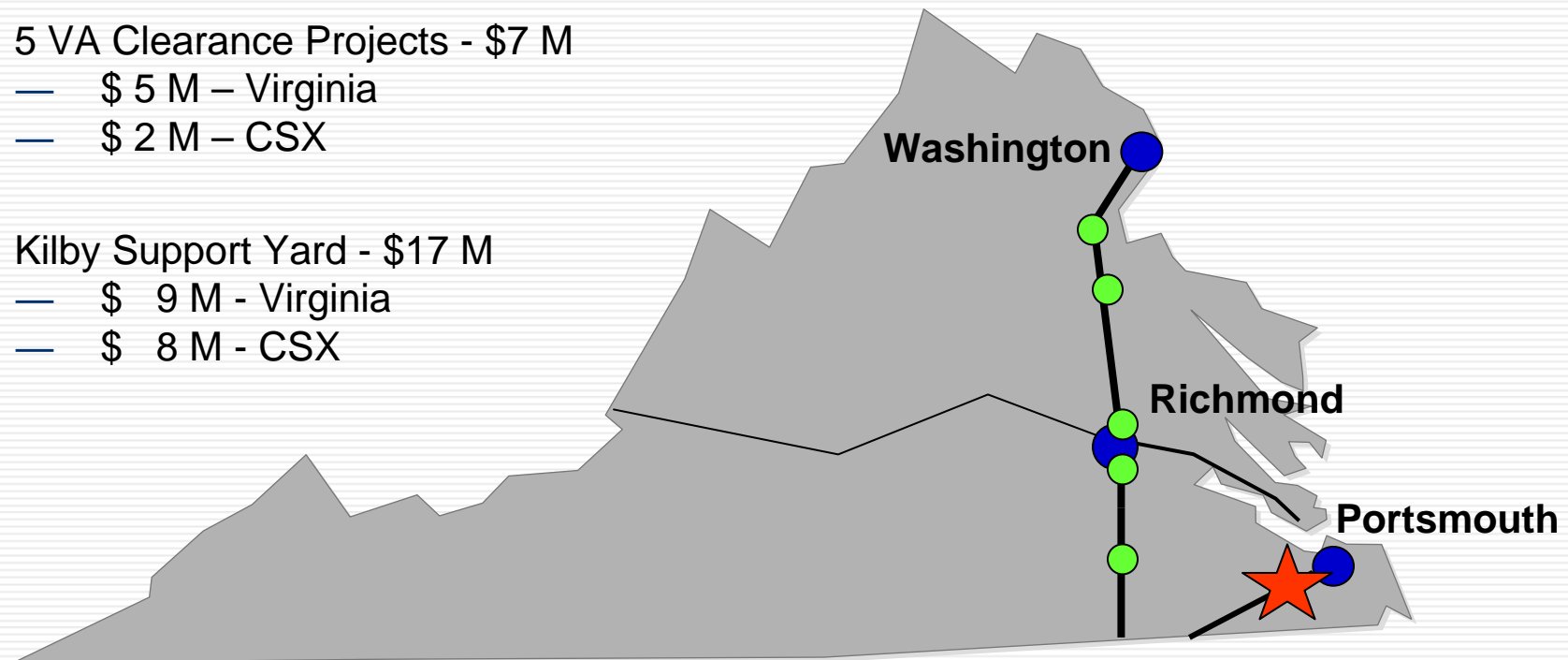
- \$77 M – Federal
- \$38 M – Virginia
- \$43 M -- CSX

● 5 VA Clearance Projects - \$7 M

- \$ 5 M – Virginia
- \$ 2 M – CSX

★ Kilby Support Yard - \$17 M

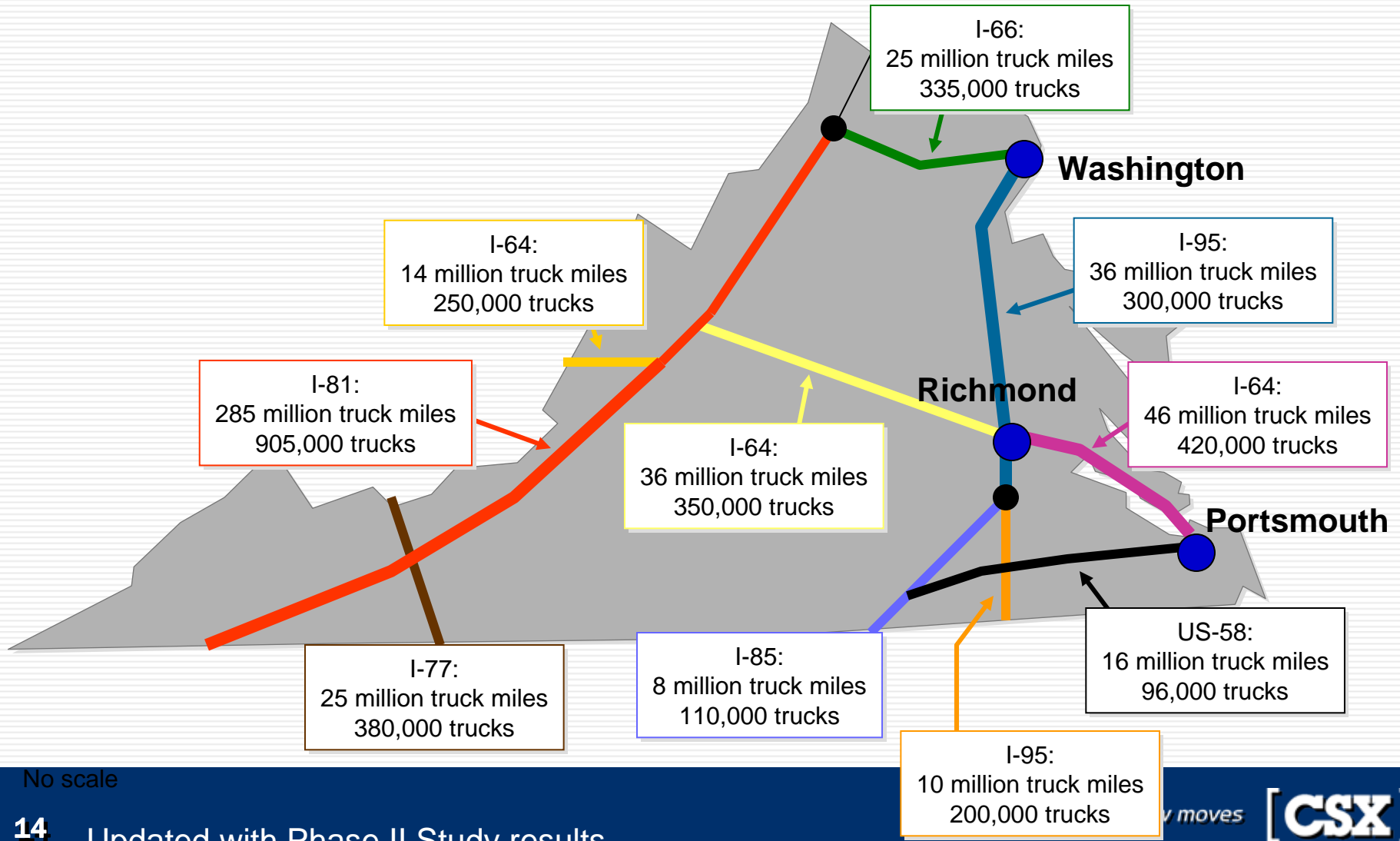
- \$ 9 M - Virginia
- \$ 8 M - CSX



No scale

National Gateway - Virginia Highway Impacts

Cumulative Reductions for 10 years: 2012 - 2021



No scale

Virginia – Benefits by 2021

■ Construction*	
— 5 VA clearance projects	\$ 7 million
— Kilby Support Yard	\$ 17 million
■ Highway benefits	
— Maintenance	\$ 107 million
— Environmental	\$ 11 million
— Safety	\$ 88 million
— Shipper Logistics	\$ 690 million
■ Employment	
— Jobs: 300	
— Wages**	\$ 78 million
■ Environment	
— Gallons of fuel saved	> 58 million
— Tons of CO2 saved	> 650,000
■ Total Benefits	\$ 1.2 billion

* Construction investment not including economic benefit multipliers, ** direct, indirect, induced jobs

How tomorrow moves



National Gateway – Investment in Virginia / DC

- Virginia Avenue Tunnel and other DC work - \$134 M
 - \$77 M - Federal
 - \$24 M - Virginia
 - \$33 M - CSX

