

Intermodal Committee Discussion

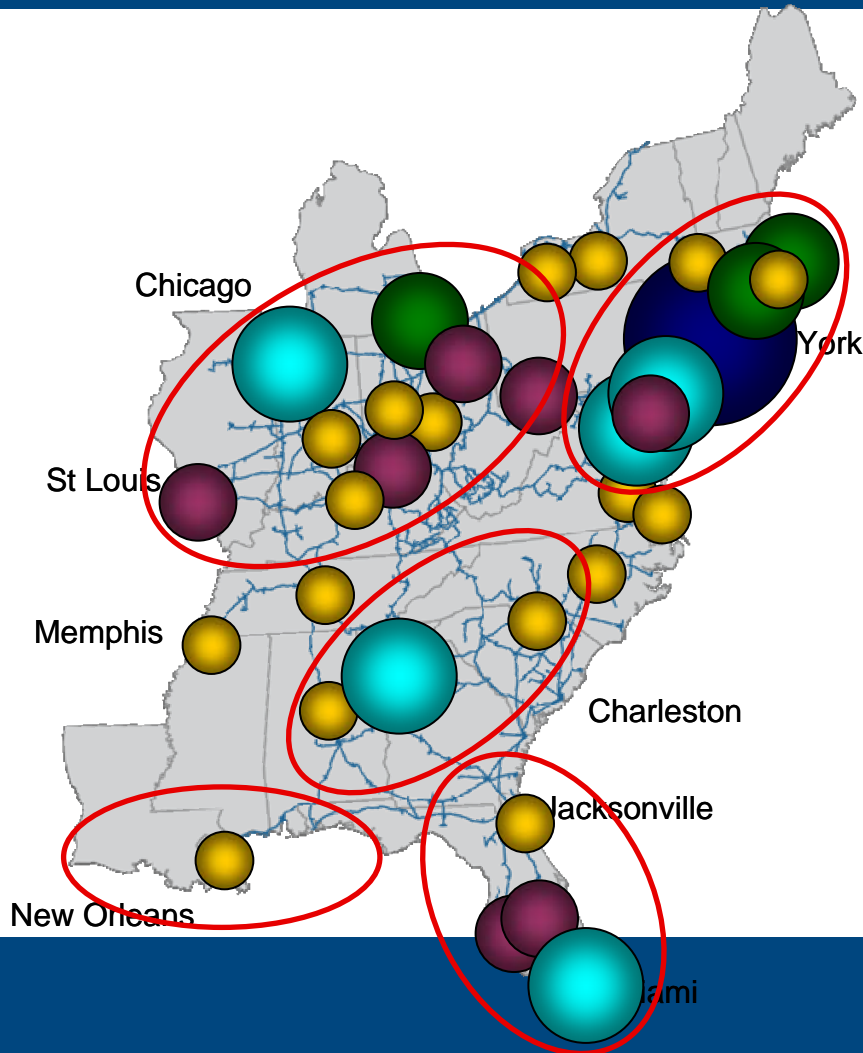
January 16, 2008

Charlotte, North Carolina

How tomorrow moves








Population Context

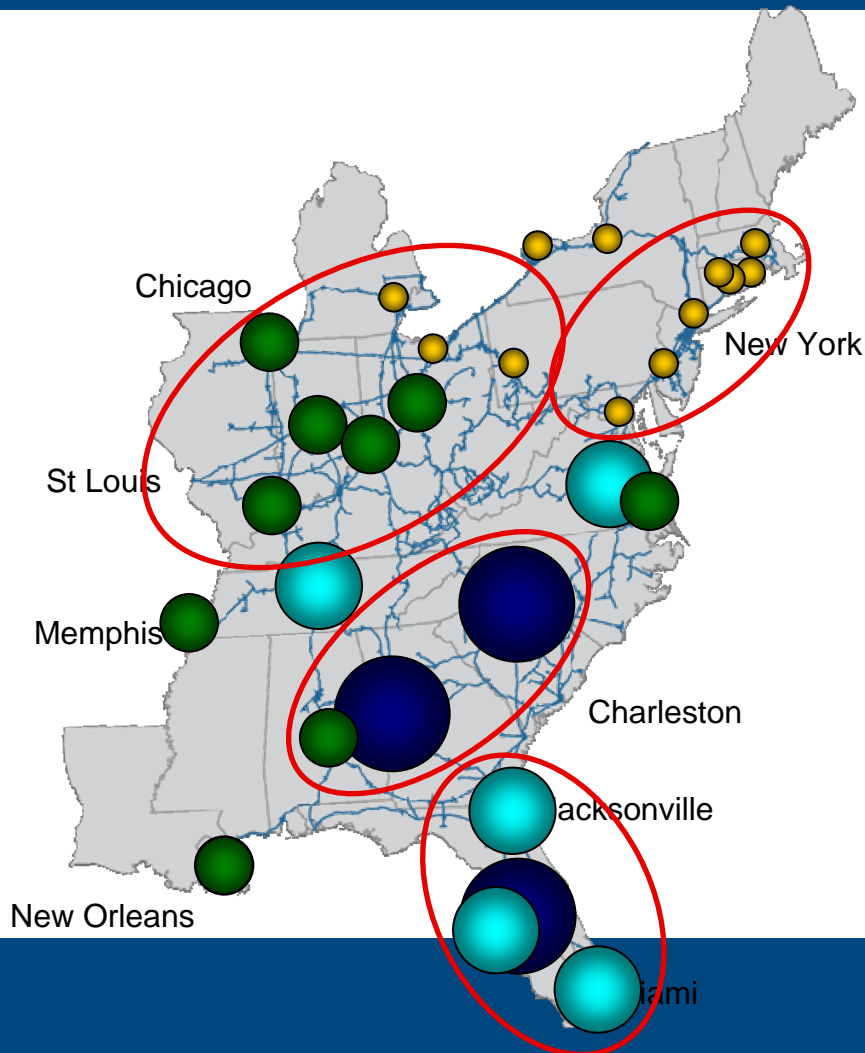


- Eastern markets account for two-thirds of U.S. population
- Markets drive three-fourths of total U.S. consumption
- Intermodal has flowed from west to east to serve this population

2006 Population in
Major Metropolitan Areas

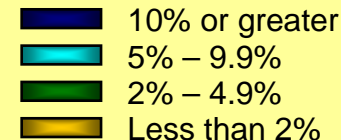
	GT 10 Million		2 – 3 Million
	5 – 10 Million		1 – 2 Million
	3 – 5 Million		

Regional Population Growth



- Growth rates are in the most aggressive in the southeast
- North Carolina is at the heart of the new growth.
- Multimodal investment needed to address the growth

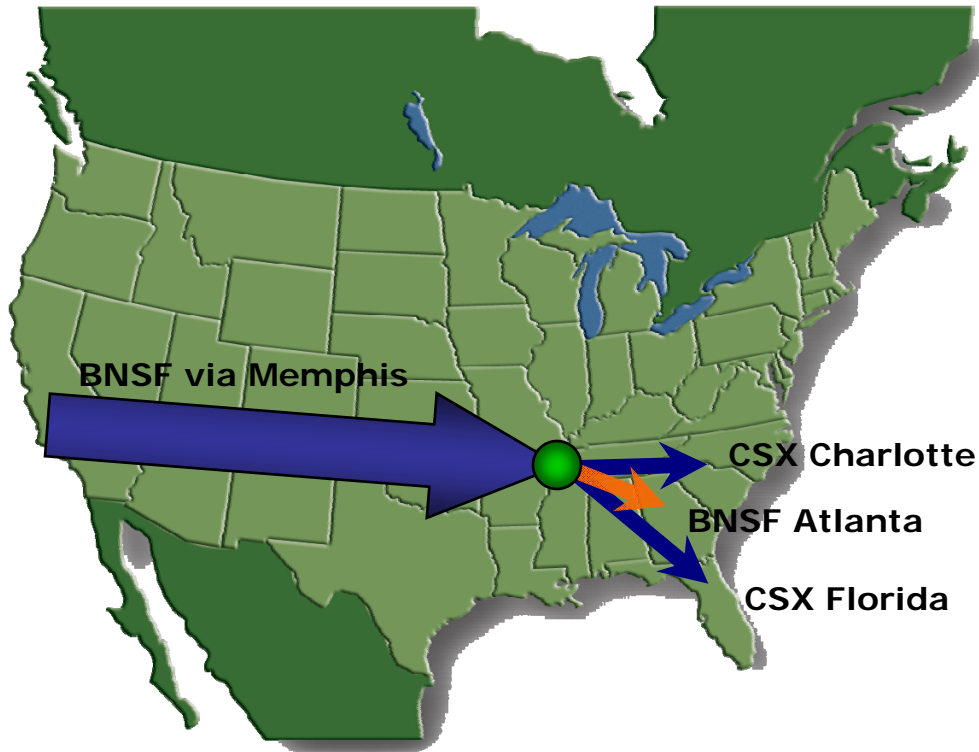
2006-2011 Population Growth
in Major Metropolitan Areas



How tomorrow moves



New Partnerships, New Capacity



- CSX has strengthened its western rail partnerships to better serve the southeast.

- Atlanta
- Charlotte
- Florida

- CSX investing with partners in these growth markets.

How tomorrow moves



Charlotte Terminal Expansion

	Current	Phase 1
Maximum Lift Capacity	80K lifts per year	120K lifts per year
On-site Parking	365 spaces	365 spaces
Track	4,400 feet of track	7,400 feet of track
Lift Equipment	Two Side Loaders	Two Side Loaders
Switching Lead	1,400 feet	1,400 feet
Train Frequency	One Per Day	One Per Day
Timing	NA	2007

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CSXI Investing in New Technologies

Gate-to-Rail Intermodal Technology

Will migrate technology from intermodal yard, off-board identification personnel with precise location data

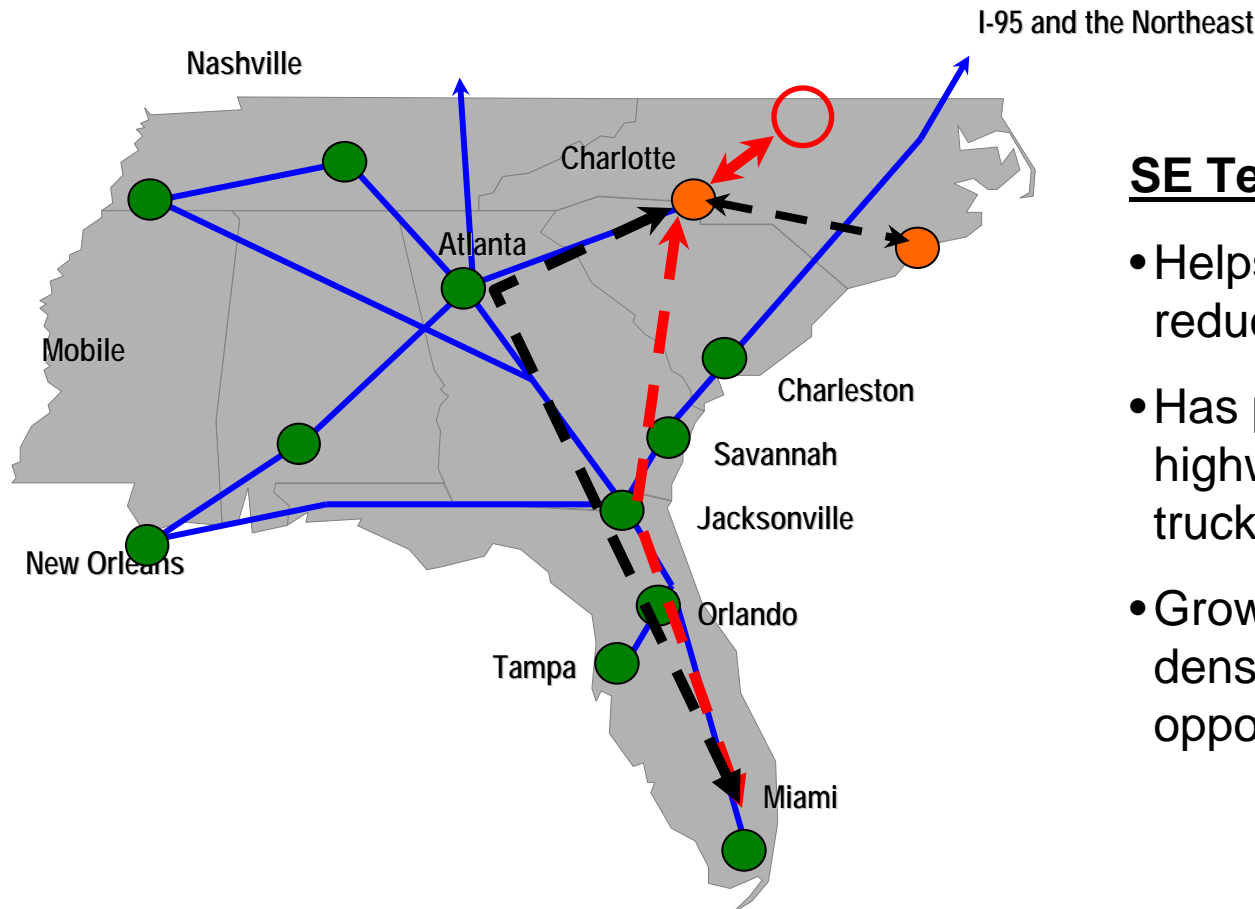
- Reduces power and emissions at gate
- Reduces security yard hostlers and reduces yard emissions
- Reduces safety by delegating power from gate operator



How tomorrow moves



Innovative Product Development



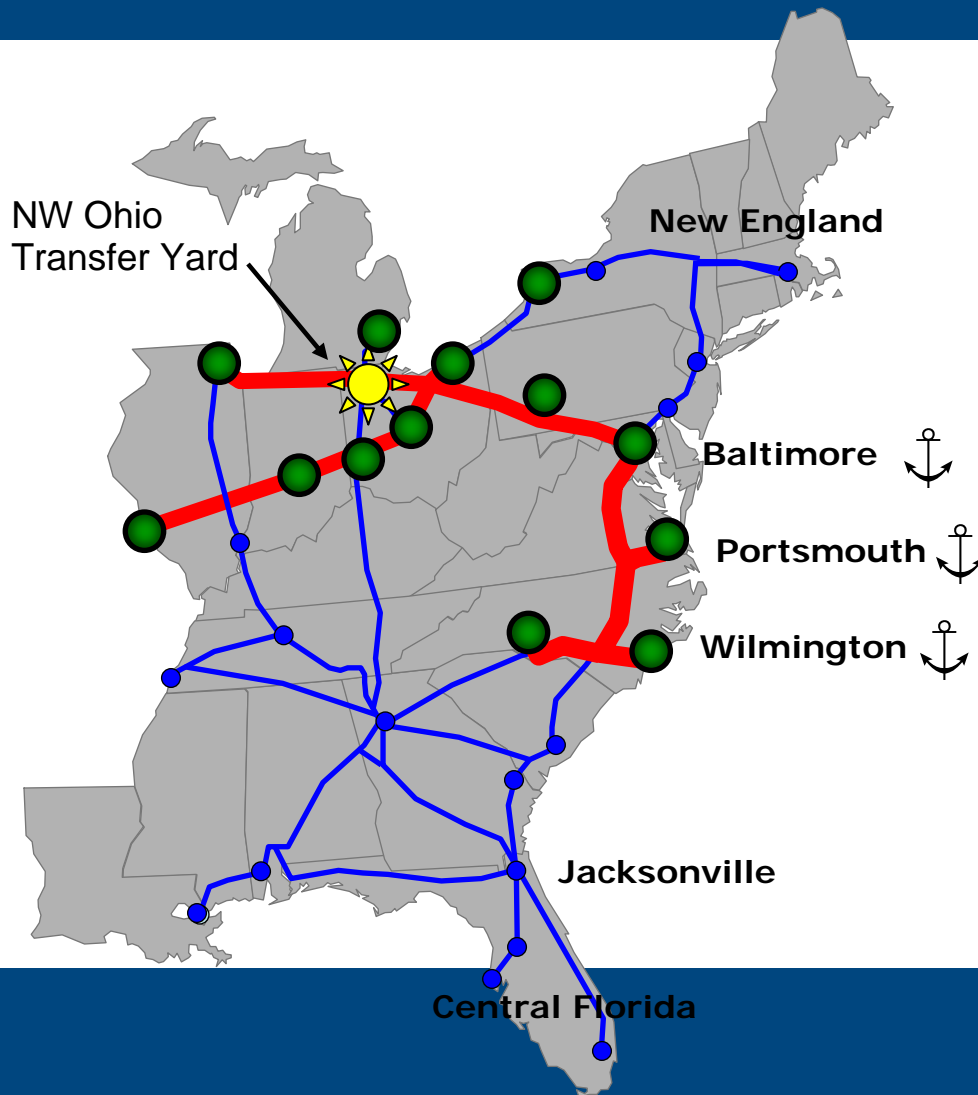
SE Textile Shuttle

- Helps NC industry thrive by reducing transportation costs
- Has potential to reduce highway miles on 50,000 trucks per year
- Growth of intermodal densities creates new routing opportunities.

How tomorrow moves



National Gateway Initiative



National Gateway increases reach of network

- ✓ Charlotte
- ✓ Chicago
- ✓ Columbus
- ✓ Cleveland
- ✓ Cincinnati
- ✓ Pittsburgh
- ✓ Buffalo
- ✓ Indianapolis
- ✓ Detroit
- ✓ E. St. Louis
- ✓ Kansas City

How tomorrow moves



The Need for Public-Private Partnership

- **CSX supports the National Gateway, but cannot build it alone**
- **CSX invests heavily in its network – more than \$6 billion between now and 2010**
- **In 2007, CSX spent approximately \$1.7 billion, or 15 percent of its revenues, in capital expenditures to meet future transportation needs – in addition to our normal maintenance expenditures**
- **AASHTO predicts that railroads will need to invest \$175 billion to \$190 billion to keep up with demand in the next 20 years**
- **PPP needed to fund National Gateway. Public benefits justify investment and participation by public sector**

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CSX in North Carolina

- ✓ **Addressing growth challenges of traditional intermodal flows with Charlotte expansion.**
- ✓ **Using network for new lanes**
 - ✓ **Charlotte-Florida**
 - ✓ **Charlotte-Northeast**
 - ✓ **Wilmington-Midwest**
- ✓ **Future growth may demand additional capacity closer to I-95 and Raleigh**

How tomorrow moves



Intermodal Development Brings Public Benefits

- 1 Train as productive as of 240 trucks
- Rail transportation produces 1/3 of the emissions per ton of freight moved by highway
- Intermodal terminals enable warehouse and distribution related industrial development.



How tomorrow moves

