



Surface Transportation Board
Washington, D.C. 20423-0001

September 20, 2021

Mr. James A. Squires
Chairman, President, and Chief Executive Officer
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510

Dear Mr. Squires,

I recently had the pleasure of visiting two of Norfolk Southern Corporation's facilities in Chicago, Illinois – Landers Terminal and Calumet Terminal – on September 2, 2021, and had discussions with your senior leaders regarding some of NS's efforts to handle intermodal traffic and alleviate congestion in the international intermodal supply chain.

During my visit, your senior leaders described an experimental service NS launched in July: expedited less-than-carload service in your Chicago-Atlanta-Miami Corridor. My understanding is that small loads are picked up by trucks and delivered to warehouses that can be served by rail, and then loaded onto waiting boxcars, which then move in intermodal trains. Trucks then make the last-mile delivery. As I understand it, this experimental service allows NS to compete for a certain segment of traffic that might otherwise move by truck. As you know, I have been emphasizing the importance of shifting freight from truck to rail, which I believe we all agree better serves the public with cleaner air and safer highways. This less-than-carload service also allows NS to maximize utilization of boxcars at a time when we are facing an international shortage of containers.

While I know this service is starting off on a small scale, I congratulate NS on being creative in its efforts to expand its service and increase the shifting of freight from truck to rail. I am hopeful that your team will be successful in implementing this new service across your network and increasing its positive impact and can set an example for others to be creative and aggressive in finding new ways to serve existing and potential rail customers.

As you are aware, the Surface Transportation Board has been closely monitoring the resilience and reliability of the freight rail network and its ability to meet the demand for reliable, safe, and efficient rail service in the face of the economic disruptions caused by the COVID-19 pandemic. While the Class I freight rail network is but one component of the international intermodal supply chain, it is a critical component and decisions made by the Class I railroads will help determine the duration and severity of the supply chain issues and contribute to how quickly the system recovers. Private action taken by the Class I railroads, such as the one your company is taking, to help alleviate the pressure on the supply chain, is a welcome step in the right direction.

If you or your staff have any further updates on the progress of this experimental service, please contact me or Ms. Janie Sheng, Acting Director of the Board's Office of Public Assistance, Governmental Affairs, and Compliance, at 202-245-0238. I wish to commend you and your team on your creativity and willingness to develop opportunities and solutions to better serve the public.

Sincerely,

A handwritten signature in cursive script that reads "Martin J. Oberman".

Martin J. Oberman
Chairman

cc: Alan Shaw, Norfolk Southern Corporation, EVP and Chief Marketing Officer
Ed Elkins, Norfolk Southern Corporation, Vice President of Industrial Products