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SURFACE TRANSPORTATION BOARD

Memorandum

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Public Record



DATE: November 4, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  : Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
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Danford L. Price
Assistant Vice President -
Service Measurements

November 3, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, NW, Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, October 29.

The reports this week continue to indicate slower operations due to the fall traffic peak and congestion on the western part of the railroad. Total cars on line increased to 266,278, driven primarily by increased car loadings. Terminal dwell remained the same at 35.6 hours and train velocity increased very slightly from 16.5 to 16.6. These trends reflect the anticipated surge of traffic, which should continue through Thanksgiving.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Chicago Gateway Operations

This week's reports show a slight improvement in performance on interchange timeliness with foreign carriers. Despite continued high volumes, line-of-road congestion and scheduled maintenance of way work, for all major railroads in Chicago, modest improvements were seen in on-time performance in the Chicago area. Chicago continues as an item of keen management focus by all carriers in the area. CSX continues to build run-through trains outside of Chicago at locations like Indianapolis, Nashville, Willard, and Cincinnati, for delivery directly to foreign carriers' major yards. This eliminates a requirement for CSX to switch these cars within the Chicago terminal.

Yards and Terminals

Various yards and terminals continue to be impacted by the Chicago congestion as trains are being staged for westbound movement. This is particularly true of Toledo and Willard. Average daily dwell was again mixed at the IHB yards. Blue Island was up slightly and Gibson was down. Dwell numbers for Willard increased slightly, reflecting the Chicago situation, and the average daily number of cars handled was strong for the week.

The number of cars on hand at Albany (Selkirk) exceeded the fluid capacity threshold, but the terminal processed a heavy volume of cars with few problems. The number of cars handled at Buffalo (Frontier) decreased, and the dwell number increased slightly. The cars on hand at Chicago (Barr) increased due to congestion, but the dwell hours decreased slightly. Cincinnati (Queensgate) cars on hand remained steady, while dwell hours showed a decrease.

In Indianapolis, Avon Yard's dwell again moved unfavorably. CSXT is concentrating on three main areas for the extraordinary demands we have seen there. First is a volume issue. More cars are arriving at Avon than envisioned in the service plan -- and the plan is being adjusted. Second, the yard is processing more cars than it was under Conrail, but the expectation is that we will soon reach higher levels than present. Third, post-merger experience shows that Avon runs a daily deficit in locomotives -- and network managers are now moving more power into Avon than originally thought necessary.

Despite heavy volumes and slower overall operations, most yards and terminal areas are well within operational control limits. Chicago, Toledo, and Indianapolis are exceptions which are receiving intense focus.

Corridor Performance

In this reporting week, two of the six corridors improved when compared to the previous week in the on-time-to-two-hours-late category. The best performance during the reported week was the New Orleans to Carolinas corridor. Second-best performance was the I-95 corridor. Overall, the percent of trains in the greater-than-six-hours-late category remained virtually unchanged. The percentage of trains in the on-time-to-two-hours-late category showed unfavorable, decreasing two percentage points. A major impact on performance continues to be scheduled track maintenance in the New Castle area, which handles trains from the west into Baltimore. This current reporting week should conclude the track work in the area.

Shared Areas

The daily averages for on-hand cars were within 2% of the prior week's volumes at Oak Island and Detroit North Yard. Pavonia had an increase due to a late departure of a unit train on Friday. Overall terminal dwell time decreased slightly from 42.0 hours to 41.6 hours.

Reported road train delay hours for crew and power increased over the prior week. Crew availability accounted for nineteen trains being delayed, up from sixteen last week. Power delays were up significantly, from twelve to twenty-five trains. A total of fifteen originating trains were delayed due to late arrivals from inbound trains.

Additional Measurements

Cars Offered in Interchange averaged 31 daily. Total Train Delay per the daily snapshot decreased slightly because of better utilization of crews and locomotives. Blocked Sidings or Multiple Main Lines increased slightly in both categories. Locomotive Out of Service Ratio remained the same, with an average of 5.5%

On-time performance of Amtrak (Pittsburgh - Washington) and MARC (West Virginia - Washington) passenger trains through Brunswick, MD was reported as: Amtrak at 40% for 10 trains, and MARC at 96% for 90 trains.

Our goal is, as always, to improve operating performance. However, given projected traffic volumes, overall system-wide railroad operations are anticipated to remain at essentially the same level through the duration of the fall peak. Nonetheless, we are determined to achieve improvement, especially in the main areas of focus discussed above.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 10/29/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/25/99	10/26/99	10/27/99	10/28/99	10/29/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	728	486	633	666	653
	Cars On Hand - Empty	594	508	654	709	818
	Cars On Hand - Total	1322	994	1287	1375	1471
	Cars Handled	1042	746	521	581	961
	Dwell Hours	42.0	57.7	34.0	55.7	45.2
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	383	248	280	363	472
	Cars On Hand - Empty	291	323	370	413	427
	Cars On Hand - Total	674	571	650	776	899
	Cars Handled	396	447	314	520	407
	Dwell Hours	54.9	35.8	37.6	29.5	37.4
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	254	182	186	144	238
	Cars On Hand - Empty	165	110	86	104	115
	Cars On Hand - Total	419	292	272	248	353
	Cars Handled	385	218	171	198	214
	Dwell Hours	36.5	23.1	27.6	16.0	42.4

CSX Comments: Daily on hand cars were within 2% of the prior week's volumes at Oak Island and Detroit North Yard, and increased at Pavonia. All volumes remain within either expected norms or prior observed levels. Overall terminal dwell time decreased slightly from 42.0 hours to 41.6 hours. Key impacts this week were holding an extra unit train and delivery to customers in South Jersey and road train pickups in Detroit North Yard.

Surface Transportation Board

Performance Measures

For the week ending: 10/29/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/25/99	10/26/99	10/27/99	10/28/99	10/29/99
North Jersey SAA	Number of Originations	11	14	14	5	4
	% Ontime	45%	36%	43%	40%	100%
	% Late 0-2 Hours	27%	21%	0%	20%	0%
	% Late 2-4 Hours	9%	21%	21%	20%	0%
	% Late 4-6 Hours	9%	7%	14%	20%	0%
	% Late GT 6 Hours	9%	14%	21%	0%	0%
South Jersey SAA	Number of Originations	7	8	5	6	4
	% Ontime	14%	25%	20%	0%	0%
	% Late 0-2 Hours	43%	13%	20%	33%	25%
	% Late 2-4 Hours	43%	38%	20%	0%	50%
	% Late 4-6 Hours	0%	0%	0%	17%	0%
	% Late GT 6 Hours	0%	25%	40%	50%	25%
Detroit SAA	Number of Originations	8	5	5	4	3
	% Ontime	50%	40%	40%	25%	33%
	% Late 0-2 Hours	13%	0%	0%	25%	0%
	% Late 2-4 Hours	13%	20%	0%	0%	33%
	% Late 4-6 Hours	13%	0%	20%	0%	0%
	% Late GT 6 Hours	13%	40%	40%	50%	33%

CSX Comments: Overall reported road train delay hours increased over the prior week. Delay hours for unavailable crews decreased from the prior week, delaying 19 trains. Power delay hours, however, increased over last week, delaying 25 trains.

Surface Transportation Board

Performance Measures

For the week ending: 10/29/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 10/25/99	Tuesday 10/26/99	Wednesday 10/27/99	Thursday 10/28/99	Friday 10/29/99	Daily Average
Cars Offered	NS	5	0	0	0	150	31
	All Other	0	0	0	0	0	0
	Total	5	0	0	0	150	31

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 10/25/99	Tuesday 10/26/99	Wednesday 10/27/99	Thursday 10/28/99	Friday 10/29/99	Weekly Total
Train Delay	Crew	0	1	0	1	3	5
	Power	1	8	5	5	2	21
	Congestion/Staging	2	4	3	3	3	15
	Total	3	13	8	9	8	41

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 10/29/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	10/18/99	10/19/99	10/20/99	10/21/99	10/22/99	Total
Blocked	Sidings	2	3	2	1	1	9
	Multiple Main Lines	0	1	1	2	2	6
	Total	2	4	3	3	3	15

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotive	10/25/99	10/26/99	10/27/99	10/28/99	10/29/99	Average
Locomotive OOS	OOS Ratio	5.6	5.4	5.3	5.3	5.1	5.3

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	10/25/99	10/26/99	10/27/99	10/28/99	10/29/99	Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	50%	50%	50%	0%	50%	40%
MARC	Trains	18	18	18	18	18	90
	% On Time	89%	94%	94%	100%	100%	96%

AMTK measured according to contract with CSXT.

George A. Aspatore
General Solicitor

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November 3, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending October 29, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.
November 3, 1999
Page 2

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

November 3, 1999

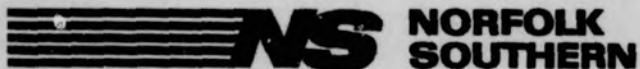
Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Norfolk Southern continues to see a high number of car loadings and, as this week's report indicates, to remain fluid. Cars on-line showed a marginal increase from the previous week but in the broader view remained within a range consistent with gradual improvement we have been observing. Although overall average dwell time increased slightly, some key terminals showed improvement. Train delays also dropped again on the Northern Region. On the monitored routes and Chicago gateway operations, 104 trains were held for terminal curbside delays, 104 trains were held for crews, and 41 trains were held for power.

The yards in the Shared Assets Areas also maintained fluidity as overall average dwell time decreased slightly. Lack of power resulted in 25 trains being delayed for 341 hours, while 19 trains were held for 247 hours awaiting crews. Additionally, 15 originating trains were delayed for 95 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 90% of the train delay hours in the SAAs.

Sincerely,



NS Cars Offered in Interchange but not Accepted

offered	Monday 25-Oct	Tuesday 26-Oct	Wednesday 27-Oct	Thursday 28-Oct	Friday 29-Oct	daily average
CSX	0	0	0	0	0	0
other	0	0	0	0	0	0
Total	0	0	0	0	0	0

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 25-Oct	Tuesday 26-Oct	Wednesday 27-Oct	Thursday 28-Oct	Friday 29-Oct	total
Crew	1	1	0	1	4	7
Power	10	23	11	9	8	61
Yard Congestion	9	7	4	3	9	32
Total	20	31	15	13	21	100

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

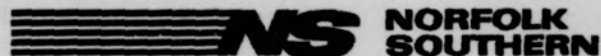
track	Monday 25-Oct	Tuesday 26-Oct	Wednesday 27-Oct	Thursday 28-Oct	Friday 29-Oct	total
Multiple Mains	7	7	2	2	5	23
Siding	3	0	2	1	5	11
Total	10	7	4	3	10	34

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 25-Oct	Tuesday 26-Oct	Wednesday 27-Oct	Thursday 28-Oct	Friday 29-Oct	week avg.
Total	6.4%	6.1%	6.1%	6.3%	6.0%	6.1%

Snapshot taken at midnight
Does not include locomotives leased out or stored

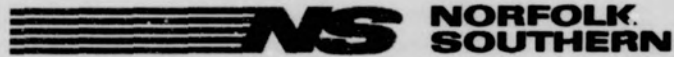


**NORFOLK
SOUTHERN**

For the week ending 10/29/99

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	10/25/99	8	50%	13%	13%	13%	13%
	10/26/99	5	40%	0%	20%	0%	40%
	10/27/99	5	40%	0%	0%	20%	40%
	10/28/99	4	25%	25%	0%	0%	50%
	10/29/99	3	33%	0%	33%	0%	33%
Detroit Total		25	40%	8%	12%	8%	32%
North Jersey Total	10/25/99	11	45%	27%	9%	9%	9%
	10/26/99	14	36%	21%	21%	7%	14%
	10/27/99	14	43%	0%	21%	14%	21%
	10/28/99	5	40%	20%	20%	20%	0%
	10/29/99	4	100%	0%	0%	0%	0%
North Jersey Total		48	46%	15%	17%	10%	13%
South Jersey Total	10/25/99	7	14%	43%	13%	0%	0%
	10/26/99	8	25%	13%	38%	0%	25%
	10/27/99	5	20%	20%	20%	0%	40%
	10/28/99	6	0%	33%	0%	17%	50%
	10/29/99	4	0%	25%	50%	0%	25%
South Jersey Total		30	13%	27%	30%	3%	27%
Grand Total		103	37%	20%	19%	10%	22%



For the week ending 10/29/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	10/25/99	850	165	254	419	385	36.5
	10/26/99	850	110	182	292	218	23.1
	10/27/99	850	86	186	272	171	27.6
	10/28/99	850	104	144	248	198	16.0
	10/29/99	850	115	238	353	214	42.4
North Yard MI Average		850	116	201	317	237	30.4
Oak Island NJ	10/25/99	1200	594	728	1322	1042	42.0
	10/26/99	1200	508	486	994	746	57.7
	10/27/99	1200	654	633	1287	521	34.0
	10/28/99	1200	709	666	1375	581	55.7
	10/29/99	1200	818	653	1471	961	45.2
Oak Island NJ Average		1200	657	633	1290	770	46.8
Pavonia NJ	10/25/99	900	291	383	674	396	54.9
	10/26/99	900	323	248	571	447	35.8
	10/27/99	900	370	280	650	314	37.6
	10/28/99	900	413	363	776	520	29.5
	10/29/99	900	427	472	899	407	37.4
Pavonia Average		900	365	349	714	417	38.4

STB

FD

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10-28-99

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SURFACE TRANSPORTATION BOARD

Memorandum

195953

ENTERED
Office of the Secretary

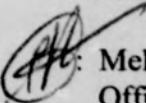
OCT 29 1999

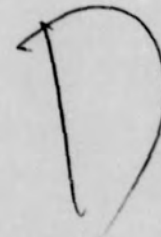
Part of
Public Record



DATE: October 28, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM : Mel Clemens, Director
Office of Compliance and Enforcement



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
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Danford L. Price
Assistant Vice President -
Service Measurements

October 27, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, NW, Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, October 22.

The reports this week continue to indicate slower operations due to the fall traffic peak and congestion on the western part of the railroad. Total cars on line increased to 264,383. Terminal dwell increased slightly from 34.0 hours to 35.6 hours and train velocity decreased from 16.7 to 16.5.

These trends reflect the anticipated surge of traffic, which should continue through Thanksgiving. Because of this surge, many measured criteria show their lowest levels as occurring in the past four weeks. Of 30 key measures reported to the board since August 13th, 24 hit their lowest point in the last 4 weeks, while only 8 achieved their best number during that period. Some measures had their worst week and their best week during this period.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Chicago Gateway Operations

This week's reports again show a decrease in performance on interchange timeliness with foreign carriers. An 18% increase in volume in Chicago, combined with line-of-road congestion and scheduled maintenance of way work, for all major railroads, again precluded any real improvement in the Chicago area. This continues as an item of keen management focus by all carriers in the area. Some of the steps taken by CSXT and other carriers include, by-passing Chicago via the EJ&E railroad or alternative interchanges, where full trains could be accommodated. Also includes building run-through trains outside the Chicago area at locations like Indianapolis, Nashville, Willard, and Cincinnati.

Yards and Terminals

Yard performance measurements reveal the kind of fluctuations that can be expected when overall traffic volumes increase. Various yards and terminals continue to be impacted by the Chicago congestion as trains are being staged for westbound movement; specifically, Toledo, Cincinnati and Willard. Average daily dwell was mixed at the IHB yards. Blue Island was down slightly and Gibson was up. Dwell numbers for Willard, Ohio increased slightly, reflecting the Chicago situation, but the average daily number of cars handled was up for the week. This indicates a slower, but greater throughput at Willard.

The number of cars on hand at Albany (Selkirk) increased, and total car volume handled remained heavy. The number of cars handled at Buffalo (Frontier) increased, and the dwell numbers increased slightly. The cars on hand at Chicago (Barr) increased due to congestion and trains being held out, as did the dwell hours. Cincinnati (Queensgate) cars on hand remained steady, while dwell hours showed a decrease.

Despite heavy volumes and slower overall operations, we are encountering no exceptional yard/terminal operating difficulties. Weekly dwell hours at some terminals occasionally have been up compared to prior weeks, while others are down over the same period. These fluctuations are all within normal operational control limits. CSXT continues to strive for improvement in these areas.

Corridor Performance

In this reporting week, three of the six corridors improved when compared to the previous week in the on-time-to-two-hours-late category. The best performance during the reported week was the I-95 corridor, a particularly gratifying result given the severe impact of Hurricane Floyd on that corridor a few weeks ago. Second-best performance was the New Orleans to Carolinas corridor. Overall, the percent of trains in the greater-than-six-hours-late category showed an unfavorable increase of four percentage points, and the percentage of trains in the on-time-to-two-hours-late category also showed unfavorable movement, increasing seven percentage points. Please note, however, that performance on the Chicago-to Northeast corridor improved this week. Three percent more of the measured trains were on-time, while 16% fewer were later than six hours. A major impact on performance continues to be scheduled track maintenance in the New Castle area, which handles trains from the west into Baltimore.

Shared Areas

Daily average on hand car counts were reduced somewhat from the peak levels observed at Oak Island and Pavonia over the past several weeks. Levels were consistent at North Yard. Overall terminal dwell time went back up slightly (from 39.9 hours to 42.0 hours) following the previous week's improvement of seven hours.

Reported road train delay hours for crew and power increased over the prior week. Unavailable crews accounted for sixteen trains being delayed. Power delays totaled twelve trains. A total of eighteen originating trains were delayed due to late arrivals from inbound road trains.

Additional Measurements

Cars Offered in Interchange averaged 36 daily. Total Train Delay per the daily snapshot increased slightly because of crew and locomotive availability, with the higher traffic volumes. Blocked Sidings or Multiple Main Lines remained essentially unchanged in total, with sidings up slightly and main tracks being down. Locomotive Out of Service Ratio decreased, with an average of 5.5%.

On-time performance of Amtrak and MARC passenger trains between West Virginia and Washington, DC (the Brunswick Line), is being reported for the tenth week. Amtrak on-time performance was 40% for 10 trains. The highest week so far was 80% for week ending September 3rd, and the lowest was 20% for week ending October 1st. The MARC train performance was at 89% for 80 trains, just slightly below the normal 90% level.

Our goal is to continuously improve our performance. The reported measurements do not suggest any significant negative trends and, as noted, there are several improvements to report. The heavy traffic volumes through Chicago are presenting challenges to all carriers, as is the case every year at this time. We are redoubling our efforts and cooperating with each other to speed the flow of traffic through the gateway. We recognize the need to continue our efforts to reach levels of service that meet the challenges of the peak of business levels that occur in October and November.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 10/22/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/18/99	10/19/99	10/20/99	10/21/99	10/22/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	660	639	619	769	757
	Cars On Hand - Empty	682	614	527	637	632
	Cars On Hand - Total	1342	1253	1146	1406	1389
	Cars Handled	581	705	591	760	850
	Dwell Hours	47.3	58.3	43.4	32.6	63.7
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	352	347	400	291	299
	Cars On Hand - Empty	231	305	385	353	369
	Cars On Hand - Total	583	652	785	644	668
	Cars Handled	348	374	302	401	444
	Dwell Hours	58.4	39.6	36.2	42.3	38.5
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	152	168	215	253	214
	Cars On Hand - Empty	91	102	124	115	114
	Cars On Hand - Total	243	270	339	368	328
	Cars Handled	194	215	210	238	219
	Dwell Hours	24.7	22.5	17.9	31.1	23.0

CSX Comments: Daily average on hand car counts reduced somewhat from the peak levels observed at Oak Island and Pavonia over the past several weeks, and at consistent levels at North Yard. Overall terminal dwell time increased slightly from 39.9 hours to 42.0 hours. Key impacts this week were delivery to customers in North Jersey and road train pickup in South Jersey.

Surface Transportation Board

Performance Measures

For the week ending: 10/22/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/18/99	10/19/99	10/20/99	10/21/99	10/22/99
North Jersey SAA	Number of Originations	16	24	23	22	20
	% Ontime	25%	33%	52%	36%	50%
	% Late 0-2 Hours	25%	29%	22%	32%	30%
	% Late 2-4 Hours	6%	17%	9%	14%	0%
	% Late 4-6 Hours	19%	4%	4%	9%	5%
	% Late GT 6 Hours	25%	17%	13%	9%	15%
South Jersey SAA	Number of Originations	10	9	9	11	12
	% Ontime	10%	22%	22%	18%	17%
	% Late 0-2 Hours	10%	11%	33%	27%	17%
	% Late 2-4 Hours	50%	22%	11%	18%	25%
	% Late 4-6 Hours	0%	0%	22%	18%	17%
	% Late GT 6 Hours	30%	44%	11%	18%	25%
Detroit SAA	Number of Originations	5	6	8	5	8
	% Ontime	60%	33%	25%	20%	50%
	% Late 0-2 Hours	20%	17%	13%	0%	13%
	% Late 2-4 Hours	0%	0%	0%	40%	0%
	% Late 4-6 Hours	0%	0%	25%	0%	25%
	% Late GT 6 Hours	20%	50%	38%	40%	13%

CSX Comments: Reported road train delay hours increased over the prior week. Delay hours for unavailable crews increased from the prior week delaying 16 trains. Power delay hours remained steady this week delaying 12 trains. A total of 18 originating trains were delayed due to late arrivals from CSXT and/or NS.

Surface Transportation Board

Performance Measures

For the week ending: 10/22/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 10/18/99	Tuesday 10/19/99	Wednesday 10/20/99	Thursday 10/21/99	Friday 10/22/99	Daily Average
Cars Offered	NS	0	0	110	15	6	26
	All Other	0	47	3	0	0	10
		0					
	Total	0	47	113	15	6	36

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 10/18/99	Tuesday 10/19/99	Wednesday 10/20/99	Thursday 10/21/99	Friday 10/22/99	Weekly Total
Train Delay	Crew	1	0	2	3	1	7
	Power	1	7	5	7	7	27
	Congestion/Staging	5	3	2	6	4	20
	Total	7	10	9	16	12	54

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 10/22/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

Measure	Track Type	Monday 10/18/99	Tuesday 10/19/99	Wednesday 10/20/99	Thursday 10/21/99	Friday 10/22/99	Weekly Total
Blocked	Sidings	4	2	1	3	1	11
	Multiple Main Lines	1	1	1	3	3	9
	Total	5	3	2	6	4	20

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

Measure	Locomotive	Monday 10/18/99	Tuesday 10/19/99	Wednesday 10/20/99	Thursday 10/21/99	Friday 10/22/99	Daily Average
Locomotive OOS	OOS Ratio	5.5	5.1	5.4	5.8	5.6	5.5

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

Service	Measure	Monday 10/18/99	Tuesday 10/19/99	Wednesday 10/20/99	Thursday 10/21/99	Friday 10/22/99	Weekly Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	0%	50%	50%	50%	50%	40%
MARC	Trains	16	18	18	18	18	88
	% On Time	63%	94%	94%	100%	89%	89%

AMTK measured according to contract with CSXT.

George A. Aspatore
General Solicitor

(757) 629-2657
(757) 533-4872
E-mail gaaspato@nscorp.com

October 27, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending October 22, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.
October 27, 1999
Page 2

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

October 27, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

This week's report provides further indication that Norfolk Southern continues to handle strong seasonal traffic volumes and remain fluid. Despite the high car loadings on NS, overall performance measures show continuous improvement. Cars on-line were reduced from the previous week. Although we have not yet achieved our target level, progress is being made. Average train speed improved, and average dwell time showed a decrease. Train delays also dropped on the Northern Region. On the monitored corridors and Chicago gateway operations, 81 trains were held for terminal congestion, 34 trains were held for crews, and 34 trains were held for power.

In the Shared Assets Areas, the SAA yards remain fluid as well. On-hand volumes at Oak Island, NJ and Pavonia, NJ were reduced somewhat, while volumes at North Yard, MI were relatively steady. Lack of power resulted in 12 trains being delayed for 114 hours, while 16 trains were held for 309 hours awaiting crews. Additionally, 18 originating trains were delayed for 162 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 85% of the train delay hours in the SAAs.

Sincerely,

NS Cars Offered in Interchange but not Accepted

offered	Monday 18-Oct	Tuesday 19-Oct	Wednesday 20-Oct	Thursday 21-Oct	Friday 22-Oct	daily average
CSX	0	0	0	0	0	0
other	0	0	0	0	0	0
Total	0	0	0	0	0	0

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 18-Oct	Tuesday 19-Oct	Wednesday 20-Oct	Thursday 21-Oct	Friday 22-Oct	total
Crew	12	7	8	0	0	27
Power	12	14	0	10	9	45
Yard Congestion	13	7	12	3	7	42
Total	37	28	20	13	16	114

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

track	Monday 18-Oct	Tuesday 19-Oct	Wednesday 20-Oct	Thursday 21-Oct	Friday 22-Oct	total
Multiple Mains	13	14	9	1	6	43
Siding	6	3	0	2	0	11
Total	19	17	9	3	6	54

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 18-Oct	Tuesday 19-Oct	Wednesday 20-Oct	Thursday 21-Oct	Friday 22-Oct	week avg.
Total	6.3%	5.9%	5.9%	5.3%	5.5%	5.8%

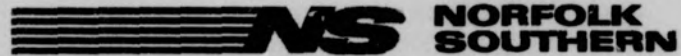
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 10/22/99

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	10/18/99	5	60%	20%	0%	0%	20%
	10/19/99	6	33%	17%	0%	0%	50%
	10/20/99	8	25%	13%	0%	25%	38%
	10/21/99	5	20%	0%	40%	0%	40%
	10/22/99	8	50%	13%	0%	25%	13%
Detroit Total		32	38%	13%	6%	13%	31%
North Jersey Total	10/18/99	16	25%	25%	6%	19%	25%
	10/19/99	24	33%	29%	17%	4%	17%
	10/20/99	23	52%	22%	9%	4%	13%
	10/21/99	22	36%	32%	14%	9%	9%
	10/22/99	20	50%	30%	0%	5%	15%
North Jersey Total		105	40%	28%	10%	8%	15%
South Jersey Total	10/18/99	10	10%	10%	50%	0%	30%
	10/19/99	9	22%	11%	22%	0%	44%
	10/20/99	9	22%	33%	11%	22%	11%
	10/21/99	11	18%	27%	18%	18%	18%
	10/22/99	12	17%	17%	25%	17%	25%
South Jersey Total		51	18%	20%	25%	12%	25%
Grand Total		188	36%	23%	13%	11%	22%



For the week ending 10/22/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	10/18/99	850	91	152	243	194	24.7
	10/19/99	850	102	168	270	215	22.5
	10/20/99	850	124	215	339	210	17.9
	10/21/99	850	115	253	368	238	31.1
	10/22/99	850	114	214	328	219	23.0
North Yard MI Average		850	109	200	310	215	24.0
Oak Island NJ	10/18/99	1200	682	660	1342	581	47.3
	10/19/99	1200	614	639	1253	705	58.3
	10/20/99	1200	527	619	1146	591	43.4
	10/21/99	1200	637	769	1406	760	32.6
	10/22/99	1200	632	757	1389	850	63.7
Oak Island NJ Average		1200	618	689	1307	697	49.6
Pavonia NJ	10/18/99	900	231	352	583	348	58.4
	10/19/99	900	305	347	652	374	39.6
	10/20/99	900	385	400	785	302	36.2
	10/21/99	900	353	291	644	401	42.3
	10/22/99	900	369	299	668	444	38.5
Pavonia Average		900	329	338	666	374	42.9

STB

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10-22-99

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SURFACE TRANSPORTATION BOARD

Memorandum

ENTERED
Office of the Secretary


OCT 22 1999

Part of
Public Record



DATE: October 22, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

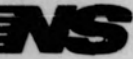
FROM  : Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the amended September 1999 monthly report provided to this office by Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



**NORFOLK
SOUTHERN**

Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510-9242

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October 20, 1999

Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Mr. Clemens,

Enclosed is the appended edition of Norfolk Southern's Monitoring Report for September 1999. It includes entries for construction projects at Bison Yard and the BPRR yard in Buffalo, as well as double tracking at Harrisburg. Please let me know if you need any additional information.

Sincerely,

Enclosure

Norfolk Southern Corporation STB Operational Monitoring Report

As of September 30, 1999 (Appended)

Reporting Requirement	Page
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Note: Bold print indicates changes from previous report.

* To be disclosed under a different cover or in a later report.

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

LABOR

Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached, concluding our reporting requirement, as provided in Paragraphs 1 and 14, on pages 162 and 165, respectively, of STB Decision No. 89 issued in Finance Docket No. 33388.

Labor-Management Task Forces

All implementing agreements became effective on June 1, 1999. A continuing dialogue has taken place between labor and NS management on a daily or as-needed basis concerning implementation and safety issues. Labor organization cooperation has been a key element in assuring the safe implementation of the Conrail transaction. This interaction will continue as the parties work through issues of mutual concern.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Alexandria	IN Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
Allentown - Reading	PA Traffic Control System PA Estimated Completion Date: 4Q00	Signal	Design	In progress
			Const	
Angola	NY Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Bridge	Const	Complete
			Design	Complete
		Signal	Const	Complete
			Design	Complete
Ashtabula	OH Construct connection track Estimated Completion Date: 4Q99	Track	Const	In progress
Attica	IN Extend siding 4, 580 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
Boundbrook	NJ Extend siding 15,000 track feet Estimated Completion Date: 1Q00	Track	Design	Project being defined.
			Grading	
		Signal	Const	
			Design	
Bristol	VA Extend siding 14,255 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Bridge	Design	Complete
			Const	Complete
		Signal	Design	Complete
Const	Complete			
Bucyrus	OH Construct track connection Estimated Completion Date: Complete	Land		Complete
		Track	Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
Buffalo - Cleveland	NY Traffic control system and remove pole line. OH Estimated Completion Date: Complete	Signal	Design	Complete
			Const	Complete
Buffalo	NY Rehabilitate tracks in sub-leased BPRR yard Estimated Completion Date: Complete	Track	Const	Complete

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Buffalo	NY Construct connection to BPRR yard Estimated Completion Date: 4Q99	Track	Design Grading Const	Complete In progress In progress
		Signal	Design Const	Complete In progress
Buffalo	NY Reconstruct portion of Bison Yard Estimated Completion Date: 4Q99	Track	Design Grading Const	Complete In progress In progress
		Signal	Design Const	Complete In progress
Butler	IN Construct track connection Estimated Completion Date: 2Q00	Track	Design Grading Const	Project being defined.
		Signal	Design Const	
Chicago	IL Expand and improve 47th St Yard Intermodal Terminal Estimated Completion Date: 3Q00	Track	Design Grade/Pave	In progress In progress
Cloggsville	OH Track Rehabilitation Estimated Completion Date: Complete	Track	Design Const	Complete Complete
Cloggsville	OH Construct second main Estimated Completion Date: 4Q00	Track	Design Grading Const	Complete In progress In progress
		Bridge	Design Const	Complete In progress
		Signal	Design Const	In progress In progress
Columbus	OH Construct track connection Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
		Signal	Design Const	Complete Complete
Crockett	VA Construct 9,100 foot new siding Estimated Completion Date: Complete	Land		Complete
		Track	Design Grading Const	Complete Complete Complete
		Bridge	Design Const	Complete Complete
		Signal	Design Const	Complete Complete
Croxton	NJ Expand and improve intermodal terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	Complete In progress
E-Rail	NJ Expand and improve intermodal terminal Estimated Completion Date: 2Q00	Track	Design Grade/Pave	In progress
Erie	PA Erie Track Realign Project Estimated Completion Date: 4Q00	Track	Design Grading Const	In progress
		Signal	Design Const	In progress

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Flemington	NJ	Construct 12,500 foot siding Estimated Completion Date: 1Q00	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Hadley Jct (Ft Wayne)	IN	Double tracking Estimated Completion Date: 2Q00	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Hagerstown Sec (Greencastle)	PA	Construct siding Estimated Completion Date: Complete	Track	Design Grading Const	Complete
			Signal	Design Const	Complete
Hagerstown Sec	PA	Traffic Control Estimated Completion Date: 4Q00	Signal	Design Const	In progress
Harrisburg	PA	Construct double track Estimated Completion Date: 1Q00	Land Track	Design Grading Const	In progress Complete
			Signal	Design Const	In progress In progress
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: 3Q00	Track	Design Grade/Pave	Complete In progress
Harrisburg - Reading	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Design Const	Complete In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design Const	Complete Complete
			Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Pattenburg	NJ	Clearance-9 Bridges Estimated Completion Date: Complete	Bridge	Design	Complete
				Const	Complete
Pattenburg	NJ	Siding Extensions Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Pattenburg	NJ	Tunnel Clearance Estimated Completion Date: Complete	Bridge	Design	Complete
				Const	Complete
Philadelphia	PA	Construct crossover - Zoo Estimated Completion Date: 2Q00	Track	Design	Project being defined.
				Grading	
				Const	
			Signal	Design	
				Const	
Piney Flats	TN	Extend siding 6,610 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Port Reading	NJ	Chemical Coast Clearance Projects Estimated Completion Date: 4Q99	Track	Design	Complete
				Const	In progress
			Bridge	Design	Complete
				Const	In progress
Rader	TN	Extend siding 5,189 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Reading - Philadelphia	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Design	Complete
	PA			Const	
Riverton Jct - Roanoke	VA	Clearance projects Estimated Completion Date: Complete	Bridge	Design	Complete
	VA			Const	Complete
Sandusky (Bellevue)	OH	Construct Triple Crown Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
			Building	Const	Complete

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Sidney	IL Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
			Const	Complete
Sido	MO Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Bridge	Design	Complete
			Const	Complete
		Signal	Design	Complete
Sloan	IL Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
			Const	Complete
Southern Tier	NY Southern Tier Rehabilitation Estimated Completion Date: 2Q00	Track	Const	Project being defined.
		Bridge	Design	In progress
			Const	
St. Louis (Mitchell)	MO Expand Mitchell Triple Crown Terminal Estimated Completion Date: 4Q99	Track	Design	Complete
			Grade/Pave	In progress
		Signal	Design	Complete
Toledo	OH Intermodal Terminal Estimated Completion Date: 2Q00	Track	Design	Project being defined.
			Grade/Pave	
Tolono	IL Track Connection Estimated Completion Date: 3Q99	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
			Const	In progress
Vermillion	OH Track Connection Estimated Completion Date: Complete	Land		Complete
		Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
Wabash	IN Construct connection track Estimated Completion Date: 4Q99	Track	Const	In progress
		Signal	Design	Complete
			Const	In progress

Note: Bold print indicates changes from previous report. If status of project phase is blank, work on that part of the project has not yet begun.

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

INFORMATION TECHNOLOGY

Systems and Personnel Training

Operating Area	Project	Status
TRANSPORTATION		
Car Management and Movement	Systems – Multiple projects	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
	Includes Thoroughbred Yard Enterprise System (TYES) and Central Yard Operations (CYO) System	
	Personnel Training	
	Prepare training materials for TYES and CYO	Complete
	Trainer orientation	Complete
	TYES training at Conrail locations	In progress
Train Dispatching	Systems	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
	Personnel Training	
	Prepare computer-based training materials for Norfolk Southern Train Information System (TIS) and Train System Accident Reporting System (TSAR).	Complete
	Train Conrail employees at Dearborn, Pittsburgh, and Mt. Laurel	In progress; estimated completion date: 3Q99
Locomotive Management	Systems	Implementation Complete.
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train employees at 8 Conrail locations	Complete

Surface Transportation Board Operational Monitoring Report
As of September 30, 1999 (Appended)

INFORMATION TECHNOLOGY

Operating Area	Project	Status
OPERATIONS PERSONNEL		
Crew Management	Systems	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
	Personnel Training	
	Prepare training materials	Complete
	Train Conrail employees	Complete
Train and Engine (T&E) Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Train T&E crews	Complete
Non-Train and Engine Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Complete
<hr/>		
CUSTOMER SERVICE		
Electronic Customer Connectivity	Systems	Complete
	Personnel Training	
	Testing new systems	Complete
	Customer Coordination	
	Information to be distributed to customers	Complete
National Customer Service Center	Personnel Training	
	Prepare training materials	Complete
	Train employees in Pittsburgh and Atlanta	Complete

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of September 30, 1999 (Appended)

CUSTOMER SERVICE

Transition Process

Transition team members for NS are in place in Philadelphia and working in Customer Service. The team's operational duration remains undetermined. The additional phone lines added to our toll-free number have enabled us to handle larger volumes of calls. The phone trace system, which is an automated feature of our toll-free line that allows a customer to trace the location of its cars by keying in car numbers on the telephone key pad, continues to work as expected.

Personnel

Additional training stations have been set up at three locations – Conway Yard (Pittsburgh); Elkhart, Indiana; and Columbus, Ohio – for training personnel involved in implementing new data systems on NS portions of Conrail. Fifty additional trainers supplied by an outside firm are assisting in systems rollout. All supervisory positions have been filled for Data Quality and the Agency Operations Center. All of the positions in Customer Service have been filled. New personnel are trained as they come into the Centers.

Customer Awareness

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to make numerous meetings and presentations in order to keep our customers informed.

The Customer Resource Guide has been completed and distributed to our customers through our Sales Department. This guide provides customers with all resources and information necessary for doing business with the new NS.

The Help Desk Directory, a guide to services and benefits completed and sent to our customers prior to Split Date, lists key phone numbers that connect users to areas that may assist them in answering questions about NS. It is available in three formats: a pocket guide for employees, a list for customers, and an expanded version available for downloading from the Internet.

Note: Bold print indicates changes from previous report.

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SURFACE TRANSPORTATION BOARD

Memorandum

ENTERED
Office of the Secretary

OCT 21 1999

Part of
Public Record



DATE: October 21, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM *FOR* : Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

October 20, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, NW, Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, October 15.

The reports this week continue to indicate slower operations due to fall traffic peak and congestion on the western part of the railroad. Total cars on line increased to 262,565. Terminal dwell increased slightly from 33.4 hours to 34.0 hours and train velocity decreased to 16.7 from 17.7.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Chicago Gateway Operations

This week's reports again show a slight improvement in performance on interchange timeliness with foreign carriers. Line-of-road congestion and scheduled maintenance of way work, for all major railroads, again precluded any real improvement in the Chicago area. This continues as an item of keen management focus.

Yards and Terminals

Traffic levels for the week again remained high as we enter the heart of the fall traffic surge. Yard and terminal measurements overall show a generally stable trend with less than one hour fluctuation in system dwell over the last five weeks. Various yards and terminals were impacted by the Chicago congestion as trains were held back due to the limited westbound access. Specifically, Toledo, Cincinnati and Willard held westbound trains. Average daily dwell increased slightly at the IHB yards, Blue Island and Gibson. Dwell numbers for Willard, Ohio increased, as a reflection of the Chicago situation and an ill-timed collision that significantly delayed train operations in the area.

Yard performance measurements reveal the kind of fluctuations that can be expected when overall traffic volumes increase. For instance, the measurement of cars on hand at Albany (Selkirk) showed an increase, and total car volume handled remained heavy. The number of cars handled at Buffalo increased, but the dwell numbers decreased. The cars on hand at Chicago (Barr) decreased due to the congestion and trains being held out, as did the dwell hours. Cincinnati (Queensgate) cars on hand increased and dwell hours showed an increase.

In short, we are encountering no exceptional yard/terminal operating difficulties. Weekly dwell hours at some terminals occasionally have been higher than expected while others show real improvement. These fluctuations are all within normal operational control limits. CSXT continues to strive for improvement in these areas. CSXT is currently working with the other railroads in Chicago to eliminate the congestion issues that other railroads and we are encountering.

Corridor Performance

In this reporting week, four of the six corridors improved when compared to the previous week in the on-time-to-two-hours-late category. The best performance during the reported week was the I-95 corridor. Second best performance was the New Orleans to Carolinas corridor. Overall, the percent of trains in the greater-than-six-hours-late category showed an unfavorable increase of six percentage points, and the percentage of trains in the on-time-to-two-hours-late category also showed unfavorable movement, decreasing three percentage points.

Shared Areas

Numbers for the Shared Asset Areas showed real strengthening during the reporting period. Car volumes increased in each of the major terminal areas, yet, average dwell decreased in each yard for an aggregated improvement of 6.8 hours. The decrease in hours reflects a 13 hour reduction for the last two reporting weeks. This indicates the shared areas can handle the fall peak volume and still increase efficiency.

Reported road train delay hours decreased over the prior week. Crew delays and power delays both decreased from the prior week, crew was down 63% and power was down 46%.

Additional Measurements

Cars Offered in Interchange decreased to a daily average of 28. This was half the number reported in the prior week. Total Train Delay per the daily snapshot again decreased because of crew and locomotive availability, with the higher traffic volumes. Blocked Sidings or Multiple Main Lines remained about the same as reported last week. Locomotive Out of Service Ratio decreased, with an average of 5.6%.

On-time performance of Amtrak and MARC passenger trains between West Virginia and Washington, DC, the "Brunswick Line" is being reported for the ninth week. Amtrak on-time performance was 60% for 10 trains, and MARC train performance was at 93% for 80 trains.

Our goal is to continuously improve our performance. The reported measurements do not suggest any significant negative trends and, as noted, there are several improvements to report. We recognize the need to continue our efforts to reach levels of service that meet the challenges of the peak of business levels that occur in October and November.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 10/15/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/11/99	10/12/99	10/13/99	10/14/99	10/15/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	675	785	762	785	747
	Cars On Hand - Empty	671	566	736	566	747
	Cars On Hand - Total	1346	1351	1498	1351	1494
	Cars Handled	513	732	877	880	919
	Dwell Hours	56.5	39.8	51.1	35.3	41.9
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	452	299	386	299	339
	Cars On Hand - Empty	441	402	476	402	500
	Cars On Hand - Total	893	701	862	701	839
	Cars Handled	426	180	522	448	633
	Dwell Hours	64.6	48.4	27.4	40.0	32.6
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	148	208	270	208	225
	Cars On Hand - Empty	128	103	58	103	66
	Cars On Hand - Total	276	311	328	311	291
	Cars Handled	304	150	182	179	221
	Dwell Hours	19.1	20.9	22.6	30.6	25.0

CSX Comments: Daily on hand car counts remained within two percent of last weeks levels at all three locations. All volumes remain within either expected norms or prior reported levels. Overall terminal dwell time was reduced from 46.7 hours to 39.9 hours, the third lowest average since Split Day and the lowest since the week ending August 27th.

Surface Transportation Board

Performance Measures

For the week ending: 10/15/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/11/99	10/12/99	10/13/99	10/14/99	10/15/99
North Jersey SAA	Number of Originations	15	21	21	20	22
	% Ontime	60%	43%	48%	40%	36%
	% Late 0-2 Hours	20%	33%	24%	30%	32%
	% Late 2-4 Hours	7%	5%	10%	10%	9%
	% Late 4-6 Hours	7%	10%	14%	10%	14%
	% Late GT 6 Hours	7%	10%	5%	10%	9%
South Jersey SAA	Number of Originations	10	6	15	13	8
	% Ontime	10%	17%	53%	31%	38%
	% Late 0-2 Hours	30%	50%	13%	15%	13%
	% Late 2-4 Hours	20%	17%	13%	15%	25%
	% Late 4-6 Hours	10%	17%	7%	15%	13%
	% Late GT 6 Hours	30%	0%	13%	23%	13%
Detroit SAA	Number of Originations	4	8	6	8	6
	% Ontime	25%	25%	33%	38%	33%
	% Late 0-2 Hours	50%	25%	17%	0%	33%
	% Late 2-4 Hours	25%	25%	0%	13%	0%
	% Late 4-6 Hours	0%	0%	0%	13%	17%
	% Late GT 6 Hours	0%	25%	50%	38%	17%

CSX Comments: Reported road train delay hours decreased dramatically over the prior week. Delay hours for unavailable crews decreased 63% from the prior week delaying only 8 trains. Power delay hours decreased as well delaying only 9 trains, a 46% decrease over the prior week.

Surface Transportation Board

Performance Measures

For the week ending: 10/15/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 10/11/99	Tuesday 10/12/99	Wednesday 10/13/99	Thursday 10/14/99	Friday 10/15/99	Daily Average
Cars Offered	NS	2	135	1	1	1	28
	All Other	0	0	0	0	0	0
	Total	2	135	1	1	1	28

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 10/11/99	Tuesday 10/12/99	Wednesday 10/13/99	Thursday 10/14/99	Friday 10/15/99	Weekly Total
Train Delay	Crew	0	0	0	0	1	1
	Power	1	7	5	1	4	18
	Congestion/Staging	7	7	7	4	4	29
	Total	8	14	12	5	9	48

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 10/15/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

Measure	Track Type	Monday 10/11/99	Tuesday 10/12/99	Wednesday 10/13/99	Thursday 10/14/99	Friday 10/15/99	Weekly Total
Blocked	Sidings	2	3	0	0	1	6
	Multiple Main Lines	5	4	7	4	3	23
	Total	7	7	7	4	4	29

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

Measure	Locomotive	Monday 10/11/99	Tuesday 10/12/99	Wednesday 10/13/99	Thursday 10/14/99	Friday 10/15/99	Daily Average
Locomotive OOS	OOS Ratio	5.6	5.4	5.7	5.5	5.7	5.6

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

Service	Measure	Monday 10/11/99	Tuesday 10/12/99	Wednesday 10/13/99	Thursday 10/14/99	Friday 10/15/99	Weekly Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	100%	50%	50%	50%	50%	60%
MARC	Trains	8	18	18	18	18	80
	% On Time	88%	83%	94%	94%	94%	93%

AMTK measured according to contract with CSXT.

George A. Aspatore
General Solicitor

(757) 629-2657
(757) 533-4872
E-mail gaaspato@nscorp.com

October 20, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending October 15, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

Mr. Melvin F. Clemens, Jr.
October 20, 1999
Page 2

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

October 20, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

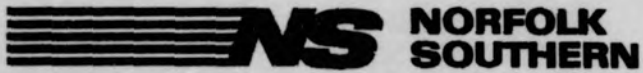
Dear Mr. Clemens:

Norfolk Southern's performance remains at a level consistent with that demonstrated throughout the peak traffic season to date, as reflected in this week's report. Even with the challenges presented by traffic volumes being handled, NS remains fluid. Despite marginal degradations in some measures, we did have a few noticeable improvements at some key terminals. On the monitored corridors and Chicago gateway operations, 74 trains were held for terminal congestion, 34 trains were held for crews, and 22 trains were held for power.

In the Shared Assets Areas, the SAA yards reflected fluidity as on-hand volumes at all three locations again remained relatively steady. The overall average terminal dwell time once again showed a notable decrease. Lack of power resulted in 9 trains being delayed for 115 hours, while 8 trains were held for 68 hours awaiting crews. Additionally, 11 originating trains were delayed for 75 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 75% of the train delay hours in the SAAs.

As NS progresses with its information system rollout and undertakes important additional improvements to its infrastructure, we are placing ourselves in a position to not only maintain levels of performance, but to further improve the capabilities of our system.

Sincerely,



NS Cars Offered in Interchange but not Accepted

offered	Monday 11-Oct	Tuesday 12-Oct	Wednesday 13-Oct	Thursday 14-Oct	Friday 15-Oct	daily average
CSX	0	0	0	0	0	0
other	0	0	0	0	0	0
Total	0	0	0	0	0	0

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 11-Oct	Tuesday 12-Oct	Wednesday 13-Oct	Thursday 14-Oct	Friday 15-Oct	total
Crew	2	3	5	12	0	22
Power	10	10	12	11	14	57
Yard Congestion	24	20	27	27	26	124
Total	36	33	44	50	40	203

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

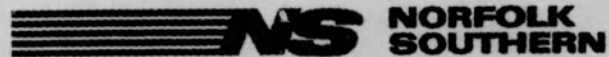
track	Monday 11-Oct	Tuesday 12-Oct	Wednesday 13-Oct	Thursday 14-Oct	Friday 15-Oct	total
Multiple Mains	20	11	20	29	25	105
Siding	0	5	0	5	0	10
Total	20	16	20	34	25	115

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 11-Oct	Tuesday 12-Oct	Wednesday 13-Oct	Thursday 14-Oct	Friday 15-Oct	week avg.
Total	6.9%	6.3%	6.2%	6.4%	5.9%	6.3%

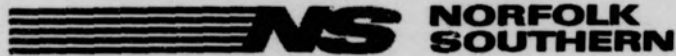
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 10/15/99

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	10/11/99	4	25%	50%	25%	0%	0%
	10/12/99	8	25%	25%	25%	0%	25%
	10/13/99	6	33%	17%	0%	0%	50%
	10/14/99	8	38%	0%	13%	13%	38%
	10/15/99	6	33%	33%	0%	17%	17%
Detroit Total		32	31%	22%	13%	6%	28%
North Jersey Total	10/11/99	15	60%	20%	7%	7%	7%
	10/12/99	21	43%	33%	5%	10%	10%
	10/13/99	21	48%	24%	10%	14%	5%
	10/14/99	20	40%	30%	10%	10%	10%
	10/15/99	22	36%	32%	9%	14%	9%
North Jersey Total		99	44%	28%	8%	11%	8%
South Jersey Total	10/11/99	10	10%	30%	20%	10%	30%
	10/12/99	6	17%	50%	17%	17%	0%
	10/13/99	15	53%	13%	13%	7%	13%
	10/14/99	13	31%	15%	15%	15%	23%
	10/15/99	8	38%	13%	25%	13%	13%
South Jersey Total		52	33%	21%	17%	12%	17%
Grand Total		183	41%	28%	11%	10%	15%



For the week ending 10/15/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	10/11/99	850	128	148	276	304	19.1
	10/12/99	850	103	208	311	150	20.9
	10/13/99	850	58	270	328	182	22.6
	10/14/99	850	103	208	311	179	30.6
	10/15/99	850	66	225	291	221	25.0
North Yard MI Average		850	92	212	303	207	23.2
Oak Island NJ	10/11/99	1200	671	675	1346	513	56.5
	10/12/99	1200	566	785	1351	732	39.8
	10/13/99	1200	736	762	1498	877	51.1
	10/14/99	1200	566	785	1351	880	35.3
	10/15/99	1200	747	747	1494	919	41.9
Oak Island NJ Average		1200	657	751	1408	784	44.0
Pavonia NJ	10/11/99	900	441	452	893	426	64.6
	10/12/99	900	402	299	701	180	48.4
	10/13/99	900	476	386	862	522	27.4
	10/14/99	900	402	299	701	448	40.0
	10/15/99	900	500	339	839	633	32.6
Pavonia Average		900	444	355	799	442	40.3

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SURFACE TRANSPORTATION BOARD


Memorandum

195426

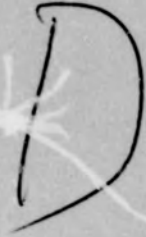


DATE: August 26, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

ENTERED
Office of the Secretary
AUG 26 1999
Part of
Public Record



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
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Danford L. Price
Assistant Vice President -
Service Measurements

August 25, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, NW, Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, August 20.

The reports this week continue to indicate normal operating conditions. Total cars on line increased almost insignificantly (1%). Terminal dwell for the system increased only 1% to 31.6 hours. Train speed was 18.4 compared to 18.5 mph the prior week.

In this reporting week, we continue to see improving numbers from terminals within the shared asset areas. We also continue to see improved reliability in the six corridors measured. Additionally, the numbers for sidings blocked and trains delayed both improved.

A special area of emphasis continues to be the Toledo Terminal, where the operating systems cut-over has been successfully completed. While car counts remain high at the two yards in Toledo Terminal (Walbridge Yard and Stanley Yard), dwell hours decreased slightly during the reported week.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Gateway Operations

This week's reports show unfavorable performance in interchange timeliness with foreign carriers. Line-of-road congestion and scheduled maintenance of way work contributed to the down turn in performance.

Yards and Terminals

Yard and terminal measurements show a generally favorable trend, in spite of heavy traffic levels during the week. Walbridge and Stanley dwell numbers decreased, primarily due to positioning additional locomotives, decrease in maintenance of way activity, and an increase in crew availability which aided the situation. Average daily dwell decreased slightly at the IHB yards, Blue Island and Gibson, despite scheduled maintenance of way work on the Blue Island subdivision adjoining the yards. The traffic at Willard, Ohio, was constant with last week; however, their dwell numbers decreased slightly. These yards have been impacted by scheduled track maintenance now under way.

Performance moved in an unfavorable direction in a few cases. For instance, the measurement of cars on hand at Selkirk (Albany) increased and dwell times at Chicago (Barr) and Cincinnati (Queensgate) also increased. Traffic volumes and dwell increased at Frontier Yard in Buffalo. Despite business volumes, Buffalo continues to remain fluid. Dewitt Yard at Syracuse saw increased car counts due to some additional switching from added car volumes at Selkirk, but dwell reflected a slight downward trend.

In short, we are encountering no exceptional yard/terminal operating difficulties. Weekly dwell hours at some terminals occasionally have been higher than optimum while others show real improvement. These fluctuations are all within normal operational control limits. CSXT will continue to strive for improvement.

Corridor Performance

Overall performance improved from the last report. Four of the six corridors had improvements in the on-time-to-two-hours-late category. Chicago to Baltimore improved from prior week and set a new high since integration. East St. Louis to Baltimore improved over the previous week and also set a new high above previous best performance. Despite heavy track maintenance work, the New Orleans-to-Carolinas performance remained the same from the last reporting. As indicated in prior letters, July and August are the highest track maintenance work level of the year, and all corridors have been affected.

Shared Areas

Daily on hand car counts increased marginally at Oak Island, N.J., due mostly to the effects of a derailment on the hump which impacted car processing for about 24 hours. While cars on hand remained steady at Pavonia this week, North Yard posted a decrease due to improved handling. Although terminal dwell increased at Oak Island due to the derailment (39.6 to 44.7 hours), North Yard remained constant while Pavonia reported a decrease (45.4 to 39.4 hours). Performance at all three locations indicates a continuing fluidity.

Road train origination delay remained constant this week. Crew delays decreased from 16 trains to 15 trains. Power delays remained steady at 16 trains, although the number of hours delayed increased 20% (from 192 hours to 238 hours).

Additional Measurements

Cars Offered in Interchange increased slightly from a daily average of 143 the prior week to an average of 151 for the current reported week. This is not a significant change. Total Train Delay per the daily snapshot continues to decrease from a weekly total of 28 the previous week to 15 for the current reported week. Blocked Sidings or Multiple Main Lines also saw a decrease from a weekly total of 16 the previous week to 4 for the current reported week. Locomotive Out of Service Ratio remained at 5.0%.

On-time performance of Amtrak and MARC passenger trains between West Virginia and Washington, DC, the "Brunswick Line" is being reported for the second week. Amtrak performance moved from 80% to 70% on-time for 10 trains, and MARC train performance decreased from 96% to 94% for 90 trains measured.

Our goal is to continuously improve our performance. However, fluctuations in operating statistics are routine and are to be expected. The reported measurements do not suggest any significant negative trends and, as noted, there are several improvements to report. Nonetheless we recognize that we need to continue our efforts to reach levels of service that will exceed customer expectations.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 08/20/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/16/99	8/17/99	8/18/99	8/19/99	8/20/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	501	581	679	412	483
	Cars On Hand - Empty	457	372	522	649	550
	Cars On Hand - Total	958	953	1201	1061	1033
	Cars Handled	719	882	730	688	1008
	Dwell Hours	56.7	42.4	47.2	58.2	27.1
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	282	214	339	274	246
	Cars On Hand - Empty	269	244	328	236	199
	Cars On Hand - Total	551	458	667	510	445
	Cars Handled	493	411	550	443	336
	Dwell Hours	58.9	25.0	36.8	35.7	37.4
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	163	85	159	115	136
	Cars On Hand - Empty	89	69	57	57	73
	Cars On Hand - Total	252	154	216	172	209
	Cars Handled	219	320	283	151	188
	Dwell Hours	25.2	30.0	22.1	27.8	22.7

CSX Comments: Daily on hand car counts increased marginally at Oak Island due mostly to the effects of a derailment on the hump which curtailed car processing for about 24 hours. While cars on hand remained steady at Pavonia this week, North Yard posted a decrease due to improved handling. Terminal dwell reflects all cars handled in the yards (excluding relay cars) irrespective of car status. Although terminal dwell increased at Oak Island due to the derailment (39.6 to 44.7 hours), North Yard remained constant while Pavonia reported a decrease (45.4 vs. 39.4 hours). Performance at all three locations indicates a continuing fluidity.

Surface Transportation Board

Performance Measures

For the week ending: 08/20/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/16/99	8/17/99	8/18/99	8/19/99	8/20/99
North Jersey SAA	Number of Originations	12	18	21	20	24
	% Ontime	58%	56%	33%	40%	25%
	% Late 0-2 Hours	25%	11%	43%	25%	38%
	% Late 2-4 Hours	8%	22%	10%	35%	21%
	% Late 4-6 Hours	0%	0%	5%	0%	4%
	% Late GT 6 Hours	8%	11%	10%	0%	13%
South Jersey SAA	Number of Originations	8	9	13	11	11
	% Ontime	38%	44%	15%	27%	36%
	% Late 0-2 Hours	13%	22%	8%	27%	0%
	% Late 2-4 Hours	25%	11%	31%	9%	18%
	% Late 4-6 Hours	0%	11%	15%	18%	27%
	% Late GT 6 Hours	25%	11%	31%	18%	18%
Detroit SAA	Number of Originations	7	9	8	6	8
	% Ontime	57%	44%	50%	50%	50%
	% Late 0-2 Hours	29%	0%	13%	0%	13%
	% Late 2-4 Hours	0%	11%	13%	17%	13%
	% Late 4-6 Hours	0%	33%	0%	17%	0%
	% Late GT 6 Hours	14%	11%	25%	17%	25%

CSX Comments: Road train delays remained constant this week. Crew delays decreased from 16 trains to 15 trains. Power delays remained steady at 16 trains, although number of hours held increased 20% (from 192 hours to 238 hours).

Surface Transportation Board

Performance Measures

For the week ending: 08/20/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 8/16/99	Tuesday 8/17/99	Wednesday 8/18/99	Thursday 8/19/99	Friday 8/20/99	Daily Average
Cars Offered	NS	91	0	264	165	95	123
	All Other	104	0	20	9	6	28
	Total	195	0	284	174	101	151

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 8/16/99	Tuesday 8/17/99	Wednesday 8/18/99	Thursday 8/19/99	Friday 8/20/99	Weekly Total
Train Delay	Crew	0	0	0	0	4	4
	Power	1	1	0	3	2	7
	Congestion/Staging	0	3	0	0	1	4
	Total	1	4	0	3	7	15

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 08/20/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	8/16/99	8/17/99	8/18/99	8/19/99	8/20/99	Total
Blocked	Sidings	0	0	0	0	1	1
	Multiple Main Lines	0	3	0	0	0	3
	Total	0	3	0	0	1	4

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotive	8/16/99	8/17/99	8/18/99	8/19/99	8/20/99	Average
Locomotive OOS	OOS Ratio	4.9	4.7	5.0	5.5	5.0	5.0

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	8/16/99	8/17/99	8/18/99	8/19/99	8/20/99	Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	100%	0%	100%	100%	50%	70%
MARC	Trains	18	18	18	18	18	90
	% On Time	100%	100%	94%	78%	100%	94%

AMTK measured according to contract with CSXT.

Norfolk Southern

George A. Aspatore
General Solicitor

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August 25, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending August 20, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

Norfolk Southern

August 25, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

The figures in this week's report do not demonstrate any dramatic changes in overall operation of our system. Car loadings increased again, setting a new mark for heaviest loadings since June 1. We did see an increase in overall terminal dwell time, but we also saw an increase in average train speed. Cars on-line increased somewhat, although the weekly totals are near the targeted goal for the end of August. Thus we are maintaining fluidity. On the monitored corridors and Chicago gateway operations, 129 trains were held for terminal congestion, 55 trains were held for crews, and 59 trains were held for power.

On the Northern Region, total train delays attributable to crew availability declined. It is too early to draw any general conclusions, but we are encouraged by last week's report and regard it as a positive result of training measures and the continued cooperation of our labor organizations. We are hopeful that ongoing efforts will continue to yield positive effects on performance.

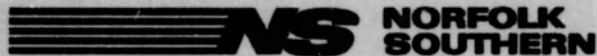
In the Shared Assets Areas, on-hand volume decreased at North Yard, MI while it remained relatively steady at Pavonia, NJ. Oak Island, NJ showed a slight increase in on-hand volume and dwell time, however we attribute those increases to a non-recurring incident (a derailment on the hump) and do not believe the data reflect any general performance issues. Thus, overall, the SAAs also are maintaining fluidity. Lack of power resulted in 16 trains being delayed for 238 hours, while 15 trains were held for 158 hours awaiting crews. Together, these causes account for about 65% of the train delay hours in the SAAs.

Mr. Melvin F. Clemens, Jr.
August 25, 1999
Page 2

As traffic volumes continue to increase, we anticipate that our system will maintain its ability to accommodate those volumes and at the same time to produce incremental service improvements.

Sincerely,

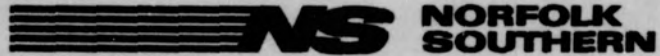
Jon L. Manetta



For the week ending 8/20/99

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	8/16/99	7	57%	29%	0%	0%	14%
	8/17/99	9	44%	0%	11%	33%	11%
	8/18/99	8	50%	13%	13%	0%	25%
	8/19/99	6	50%	0%	17%	17%	17%
	8/20/99	8	50%	13%	13%	0%	25%
Detroit Total		38	50%	11%	11%	11%	18%
North Jersey	8/16/99	12	58%	25%	8%	0%	8%
	8/17/99	18	56%	11%	22%	0%	11%
	8/18/99	21	33%	43%	10%	5%	10%
	8/19/99	20	40%	25%	35%	0%	0%
	8/20/99	24	25%	38%	21%	4%	13%
North Jersey Total		95	40%	29%	20%	2%	8%
South Jersey	8/16/99	8	38%	13%	25%	0%	25%
	8/17/99	9	0%	0%	0%	0%	0%
	8/18/99	13	15%	8%	31%	15%	31%
	8/19/99	11	27%	27%	9%	18%	18%
	8/20/99	11	36%	0%	18%	27%	18%
South Jersey Total		52	31%	13%	19%	15%	21%
Grand Total		185	41%	22%	19%	8%	15%



For the week ending 8/20/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	8/16/99	850	89	163	252	219	25.2
	8/17/99	850	69	85	154	320	30.0
	8/18/99	850	57	159	216	283	22.1
	8/19/99	850	57	115	172	151	27.8
	8/20/99	850	73	136	209	188	22.7
North Yard MI Average		850	69	132	201	232	25.7
Oak Island NJ	8/16/99	1200	457	501	958	719	56.7
	8/17/99	1200	372	581	953	882	42.4
	8/18/99	1200	522	679	1201	730	47.2
	8/19/99	1200	649	412	1061	688	58.2
	8/20/99	1200	550	483	1033	1008	27.1
Oak Island NJ Average		1200	510	531	1041	805	44.7
Pavonia NJ	8/16/99	900	269	282	551	493	58.9
	8/17/99	900	244	214	458	411	25.0
	8/18/99	900	328	339	667	550	36.8
	8/19/99	900	236	274	510	443	35.7
	8/20/99	900	199	246	445	336	37.4
Pavonia Average		900	255	271	526	447	39.4

NS Cars Offered in Interchange but not Accepted

offered	Monday 16-Aug	Tuesday 17-Aug	Wednesday 18-Aug	Thursday 19-Aug	Friday 20-Aug	daily average
CSX	200	108	83	0	142	107
other	161	221	208	0	0	118
Total	361	329	291	0	142	225

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 16-Aug	Tuesday 17-Aug	Wednesday 18-Aug	Thursday 19-Aug	Friday 20-Aug	total
Crew	18	11	7	15	16	67
Power	9	13	13	11	12	58
Yard Congestion	7	10	8	6	6	37
Total	34	34	28	32	34	162

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

track	Monday 16-Aug	Tuesday 17-Aug	Wednesday 18-Aug	Thursday 19-Aug	Friday 20-Aug	total
Multiple Mains	1	1	3	2	5	12
Siding	18	18	13	13	13	75
Total	19	19	16	15	18	87

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 16-Aug	Tuesday 17-Aug	Wednesday 18-Aug	Thursday 19-Aug	Friday 20-Aug	week avg.
Total	5.4%	6.3%	6.3%	6.2%	6.2%	6.1%

Snapshot taken at midnight
Does not include locomotives leased out or stored

STB

FD

33388

8-19-99

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195395

SURFACE TRANSPORTATION BOARD

Memorandum

195395



DATE: August 19, 1999


TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

ENTERED
Office of the Secretary

AUG 19 1999

Part of
Public Record



FROM  Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

- cc: Chairman Morgan
- Vice Chairman Clyburn
- Commissioner Burkes
- Richard Armstrong
- Ron Douglas
- Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

August 18, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, N.W., Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, August 13.

The reports this week continue to indicate normal operating conditions, down slightly in several measures and setting new post merger highs in others. Examples first of decreases in performance: Total cars on line increased almost insignificantly (.2%), and terminal dwell for the system increased 4.5 to 31.2 hours.

On the positive side, during the past two weeks we have seen the best numbers so far for dwell and on-time originations in the shared terminals. We also saw the lowest numbers for cars-not-accepted-at-interchange, lowest number of crew delays, lowest locomotive out-of-service ratio, best on-time gateway operations, and improved reliability in four of seven corridors measured.

A special area of geographic emphasis continues to be the Toledo Terminal, where the operating systems cut-over has been successfully completed, but crew and locomotive availability continue present areas of difficulty.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Gateway Operations

Measurements of interchange timeliness with foreign carriers continue a gradual improvement. The total percentage of trains On-Time to 2 hours late to connections improved 3% over previous week.

Yards and Terminals

Yard and terminal measurements show a generally favorable trend. Cars-on-hand at Selkirk (Albany) increased during the reported week. Selkirk handled more cars, yet dwell decreased to the lowest point since Day 1. Dwell times at Chicago (Barr) and Cincinnati (Queensgate) also decreased this week, even though average cars handled remained heavy. This indicates the yards are fluid. Dwell numbers this week at Toledo (Walbridge and Stanley) remained higher than normal. Walbridge dwell numbers increased, primarily due to changes in the operating plan, repositioning additional locomotives, and a decrease in crew availability in the area. We are encouraged that the first implementation of field roll-out of CSXT operating systems went smoothly at Toledo.

Traffic volumes at Frontier Yard in Buffalo increased; nonetheless, dwell was the second lowest since the June 4 benchmark. Despite business volumes, Buffalo dwell remains the second lowest of any of the northern region terminals measured.

Average daily dwell increased slightly at the IHB yards, Blue Island and Gibson. The traffic at Willard, OH remained higher than normal and their dwell numbers also increased slightly. These yards have been impacted by scheduled track maintenance now underway.

While we are encountering no exceptional yard/terminal operating difficulties, weekly dwell hours at some terminals occasionally have been higher than optimum. Still, these fluctuations are all within normal operational control limits. CSXT will continue to strive for improvement.

Corridor Performance

Overall performance over the six measured corridors improved 6% from the last report. The I-95 corridor had its best week yet in on-time-to-2-hours-late. Chicago-to-Baltimore also established a new high-mark. Despite heavy track maintenance work as a result of a rail test program, New Orleans-to-Carolinas performance remained the same from the last reporting. As indicated in prior letters, July and August are the highest track maintenance work level of the year. All corridors have been affected.

Shared Areas

Daily on-hand car counts decreased significantly at Oak Island. Pavonia and North Yard on-hand volumes remained steady; well within the levels seen since Split Day. Terminal dwell reflects all cars handled in the yards (excluding relay cars) irrespective of car status. Overall terminal dwell time was reduced significantly, from 50.3 hours the previous week to 38.2 hours this week. The fluidity improvements observed at the end of last week prevailed through this week. All three districts posted improvements, the most noteworthy at Oak Island and North Yard. Improvements were registered both for cars coming from and going to local industry.

Road trains delayed remained constant. Crew delays were reduced to 16 trains from 19 trains the prior week. However, power delays increased marginally, from 13 trains last week to 16 trains this week.

Additional Measurements

Cars Offered in Interchange increased from a daily average of 25 the prior week to an average of 143 for the current reported week. Total Train Delay per the daily snapshot decreased from a weekly total of 44 the previous week to 28 for the current reported week. Blocked Sidings or Multiple Main Lines also saw a decrease from a weekly total of 22 the previous week to 16 for the current reported week. The majority of these trains were holding out of Indianapolis (Avon). Locomotive Out of Service Ratio improved to 5% from 5.1% the previous week.

CSX also began reporting on the On-Time performance of Amtrak and MARC passenger trains between West Virginia and Washington, DC, the "Brunswick Line". Amtrak performance for the week was 80% on-time for 10 trains and MARC train performance was 96% for 90 trains measured.

Our goal is to progress all of these measurements in a positive direction. However, fluctuations in operating statistics are routine and are to be expected. The reported measurements do not suggest any significant negative trends and, as noted, there are several improvements to report. Nonetheless we recognize that we need to continue our efforts to reach levels of service that will exceed customer expectations

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 08/13/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/9/99	8/10/99	8/11/99	8/12/99	8/13/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	469	457	568	720	651
	Cars On Hand - Empty	459	383	368	506	391
	Cars On Hand - Total	928	840	936	1226	1042
	Cars Handled	313	529	257	510	557
	Dwell Hours	35.4	35.6	31.9	36.2	52.4
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	293	250	264	273	150
	Cars On Hand - Empty	501	316	230	224	164
	Cars On Hand - Total	794	566	494	497	314
	Cars Handled	202	466	342	391	246
	Dwell Hours	67.4	51.8	36.8	43.1	30.4
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	115	185	92	189	153
	Cars On Hand - Empty	116	187	223	290	264
	Cars On Hand - Total	231	372	315	479	417
	Cars Handled	171	234	259	258	240
	Dwell Hours	36.9	24.0	23.5	23.1	22.7

CSX Comments: Daily on hand car counts decreased significantly at Oak Island. Pavonia and North Yard on hand volumes remained steady, well within the levels seen since Split Day. Terminal dwell reflects all cars handles in the yards (excluding relay cars) irrespective of car status. Overall terminal dwell time reduced significantly, from 50.3 hours the previous week to 38.2 hours this week. The fluidity improvements observed at the end of last week prevailed through this week. All three districts posted improvements, the most noteworthy at Oak Island and North Yard. Improvements were registered for both cars coming from and going to local industry.

Surface Transportation Board

Performance Measures

For the week ending: 08/13/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/9/99	8/10/99	8/11/99	8/12/99	8/13/99
North Jersey SAA	Number of Originations	6	21	22	24	23
	% Ontime	33%	48%	27%	50%	48%
	% Late 0-2 Hours	33%	24%	36%	17%	35%
	% Late 2-4 Hours	17%	5%	18%	13%	4%
	% Late 4-6 Hours	17%	14%	0%	8%	0%
	% Late GT 6 Hours	0%	10%	18%	13%	13%
South Jersey SAA	Number of Originations	6	9	9	10	9
	% Ontime	33%	44%	22%	30%	33%
	% Late 0-2 Hours	0%	0%	33%	10%	22%
	% Late 2-4 Hours	17%	0%	11%	20%	0%
	% Late 4-6 Hours	0%	33%	22%	20%	11%
	% Late GT 6 Hours	50%	22%	11%	20%	33%
Detroit SAA	Number of Originations	4	8	10	9	10
	% Ontime	25%	63%	40%	33%	30%
	% Late 0-2 Hours	0%	13%	0%	11%	20%
	% Late 2-4 Hours	0%	0%	20%	11%	0%
	% Late 4-6 Hours	25%	25%	0%	11%	0%
	% Late GT 6 Hours	50%	0%	40%	33%	50%

CSX Comments: Road trains delayed remained constant. Crew delays were reduced to 16 trains from 19 trains the prior week. However, power delays increased marginally, from 13 trains last week to 16 trains this week.

Surface Transportation Board

Performance Measures

For the week ending: 08/13/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 8/9/99	Tuesday 8/10/99	Wednesday 8/11/99	Thursday 8/12/99	Friday 8/13/99	Daily Average
Cars Offered	NS	104	170	66	0	0	68
	All Other	61	63	62	187	0	75
	Total	165	233	128	187	0	143

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 8/9/99	Tuesday 8/10/99	Wednesday 8/11/99	Thursday 8/12/99	Friday 8/13/99	Weekly Total
Train Delay	Crew	0	0	0	1	0	1
	Power	3	1	1	3	3	11
	Congestion/Staging	2	5	2	3	4	16
	Total	5	6	3	7	7	28

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 08/13/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

Measure	Track Type	Monday 8/9/99	Tuesday 8/10/99	Wednesday 8/11/99	Thursday 8/12/99	Friday 8/13/99	Weekly Total
Blocked	Sidings	0	2	2	1	1	6
	Multiple Main Lines	2	3	0	2	3	10
	Total	2	5	2	3	4	16

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

Measure	Locomotive	Monday 8/9/99	Tuesday 8/10/99	Wednesday 8/11/99	Thursday 8/12/99	Friday 8/13/99	Daily Average
Locomotive OOS	OOS Ratio	4.7	4.5	5.0	5.3	5.4	5.0

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

Service	Measure	Monday 8/9/99	Tuesday 8/10/99	Wednesday 8/11/99	Thursday 8/12/99	Friday 8/13/99	Weekly Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	100%	100%	100%	50%	50%	80%
MARC	Trains	18	18	18	18	18	90
	% On Time	100%	94%	100%	94%	89%	96%

AMTK measured according to contract with CSXT.

Norfolk Southern

George A. Aspatore
General Solicitor

(757) 629-2657

(757) 533-4872

E-mail gaaspato@nscorp.com

August 18, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending August 13, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. I also have supplied the Public Reporting Measures that we provide to the Conrail Transaction Council and the AAR.

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

Norfolk Southern

August 18, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street. NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Our system remains relatively stable as reflected by this week's performance measures. Car loadings increased slightly, sustaining the trend that has been observed over the past few weeks. Given that trend overall, the yards continued to maintain fluidity. On the monitored corridors and Chicago gateway operations, 95 trains were held for terminal congestion, 58 trains were held for crews, and 50 trains were held for power.

In the Shared Assets Areas, on-hand volume remained relatively steady at Pavonia, NJ and North Yard, MI, while daily car counts declined significantly at Oak Island, NJ. Overall, the SAAs showed improved fluidity. Lack of power resulted in 16 trains being delayed for 167 hours, while 16 trains were held for 192 hours awaiting crews. Together, these causes account for about 55% of the train delay hours in the SAAs.

We anticipate that the increase in traffic volumes will continue and that our system will sustain its ability to process these volumes.

Sincerely,

Jon L. Manetta

NS Cars Offered in Interchange but not Accepted

offered	Monday 9-Aug	Tuesday 10-Aug	Wednesday 11-Aug	Thursday 12-Aug	Friday 13-Aug	daily average
CSX	0	0	0	0	0	0
other	105	43	0	105	105	72
Total	105	43	0	105	105	72

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Wednesday 11-Aug	Tuesday 10-Aug	Monday 9-Aug	Thursday 12-Aug	Friday 13-Aug	total
Crew	21	18	17	10	25	91
Power	11	8	5	9	10	43
Yard Congestion	5	8	7	4	9	33
Total	37	34	29	23	44	167

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

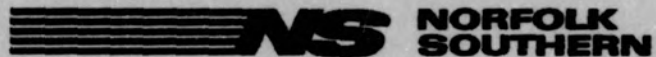
track	Monday 9-Aug	Tuesday 10-Aug	Wednesday 11-Aug	Thursday 12-Aug	Friday 13-Aug	total
Multiple Mains	5	5	2	4	4	20
Siding	18	17	14	5	18	72
Total	23	22	16	9	22	92

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 9-Aug	Tuesday 10-Aug	Wednesday 11-Aug	Thursday 12-Aug	Friday 13-Aug	week avg.
Total	6.8%	6.3%	5.6%	5.2%	5.3%	5.9%

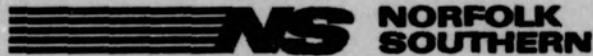
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 8/13/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand - Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	8/9/99	850	115	116	231	171	36.9
	8/10/99	850	185	187	372	234	24.0
	8/11/99	850	92	223	315	259	23.5
	8/12/99	850	189	290	479	258	23.1
	8/13/99	850	153	264	417	240	22.7
North Yard MI Average		850	147	216	363	232	25.3
Oak Island NJ	8/9/99	1200	469	459	928	313	35.4
	8/10/99	1200	457	383	840	529	35.6
	8/11/99	1200	568	368	936	257	31.9
	8/12/99	1200	720	506	1226	510	36.2
	8/13/99	1200	651	391	1042	557	52.4
Oak Island NJ Average		1200	573	421	994	433	39.6
Pavonia NJ	8/9/99	900	293	501	794	202	67.4
	8/10/99	900	250	316	566	466	51.8
	8/11/99	900	264	230	494	342	36.8
	8/12/99	900	273	224	497	391	43.1
	8/13/99	900	150	164	314	246	30.4
Pavonia Average		900	246	287	533	329	45.4



For the week ending 8/13/99

Shared Asset Train Origination Performance

location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	8/9/99	4	25%	0%	0%	25%	50%
	8/10/99	8	63%	13%	0%	25%	0%
	8/11/99	10	40%	0%	20%	0%	40%
	8/12/99	9	33%	11%	11%	11%	33%
	8/13/99	10	30%	20%	0%	0%	50%
Detroit Total		41	39%	10%	7%	10%	34%
North Jersey	8/9/99	6	33%	33%	17%	17%	0%
	8/10/99	21	48%	24%	5%	14%	10%
	8/11/99	22	27%	36%	18%	0%	18%
	8/12/99	24	50%	17%	13%	8%	13%
	8/13/99	23	48%	35%	4%	0%	13%
North Jersey Total		96	43%	28%	10%	6%	13%
South Jersey	8/9/99	6	33%	0%	17%	0%	50%
	8/10/99	9	0%	0%	0%	0%	0%
	8/11/99	9	22%	33%	11%	22%	11%
	8/12/99	10	30%	10%	20%	20%	20%
	8/13/99	9	33%	22%	0%	11%	33%
South Jersey Total		43	33%	14%	9%	19%	26%
Grand Total		180	41%	21%	10%	10%	21%

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8-11-99

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195356

CONRAIL

195356



Jonathan M. Broder
Assistant Vice President-Law
(215) 209-5020
FAX (215) 209-7805

ENTERED
Office of the Secretary

AUG 13 1999

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Public Record



August 10, 1999

VIA UPS OVERNIGHT

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
Mercury Building, Room 700
1925 K Street, N.W.
Washington, D.C. 20423

D

Re: Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

Pursuant to Ordering Paragraph No. 4, Decision No. 89, served July 23, 1998 enclosed for filing are three copies of Consolidated Rail Corporation's journal entries recording the division of Conrail, entitled "Conrail Acquisition - Day 1 Entries." Please be advised that Conrail has been authorized to state that the division of Conrail on the Split Date did not generate any journal entries with respect to the books of CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company, or any affiliate or subsidiary of those companies, except, of course, for Conrail which is an affiliate of CSX and NS, respectively.

Kindly date stamp the enclosed additional copies of this letter and the enclosure and return them to me in the self-addressed stamped envelope provided.

Thank you for your assistance in this matter. Please contact me if you have any questions.

Respectfully yours,

Jonathan M. Broder
Counsel for Conrail, Inc. and
Consolidated Rail Corporation

Enclosures

**cc: Richard A. Allen, Esq.
Dennis G. Lyons, Esq.**

CONRAIL ACQUISITION - DAY 1 ENTRIES

No.	Description	Company		
		Consolidated Rail Corp	PRR, LLC	NYC, LLC
1	Establish PRR & NYC, LLCs	Memo entry	Memo entry	Memo entry
2	Contribute TCV, Inc. to PRR	DR Investment in PRR 721xxx CR APIC 795xxx	DR Investment in TCV 721xxx CR APIC 795xxx	
		<u>Contributed to Consolidated Rail from Conrail, Inc. :</u> DR Investment in Consolidated Rail 721xxx CR Investment in TCV 721xxx		
3	Contribute Peoria & Pekin Union (P&PU) to PRR	DR Investment in PRR 721xxx CR Investment in P&PU 721xxx	DR Investment in P&PU 721xxx CR APIC 795xxx	
4	Contribute Belt Rwy. Co. to PRR	DR Investment in PRR 721xxx CR Investment in Belt Rwy 721xxx	DR Investment in Belt Rwy 721xxx CR APIC 795xxx	
5	Contribute TTX: 54% to PRR, 46% to NYC	DR Investment in PRR 721xxx CR Investment in TTX 721xxx	DR TTX (54%) 721xxx CR APIC 795xxx	DR TTX (46%) 721xxx CR APIC 795xxx
6	Contribute St. Lawrence & Adirondack (St. L&A) to NYC	DR Investment in NYC 721xxx CR Investment in St L&A 721xxx		DR Investment in St L&A CR APIC 795xxx
7	Contribute Lakefront Dock to NYC	DR Investment in NYC 721xxx CR Investment in LD&RT 721xxx		DR Investment in LD&RT 721xxx CR APIC 795xxx
8	Contribute Albany Port to NYC	DR Investment in NYC 721xxx CR Investment in APRR 721xxx		DR Investment in APRR 721xxx CR APIC 795xxx
9	Contribute Inventory to PRR & NYC	DR Investment in PRR 721xxx DR Investment in NYC 721xxx CR Materials & Supplies 712xxx	DR Materials & Supplies 712xxx CR APIC 795xxx	DR Materials & Supplies 712xxx CR APIC 795xxx
10	Contribute Property to PRR & NYC	DR Investment in PRR 721xxx DR Investment in NYC 721xxx CR Road & Reserves, net 731xxx/735xxx CR Lschld Imp & Reser, net 732xxx/733xxx CR Equip. & Reserves, net 731xxx/735xxx CR Non-op Prop, net 737xxx/738xxx	DR Road & Reserves, net 731xxx/735xxx DR Lschld Imp & Reser, net 73 xxx/733xxx DR Equip. & Reserves, net 731xxx/735xxx DR Non-op Prop, net 737xxx/738xxx CR APIC 795xxx	DR Road and Reserves, net 731xxx/735xxx DR Lschld Imp & Reser, net 732xxx/733xxx DR Equip. & Reserves, net 731xxx/735xxx DR Non-op Prop, net 737xxx/738xxx CR APIC 795xxx
11	Transfer Federal & State Deferred Taxes to PRR & NYC	DR Deferred Tax Liab. 786xxx CR Deferred Tax Asset 714xxx CR Investment in PRR 721xxx CR Investment in NYC 721xxx	DR APIC 795xxx DR Deferred Tax Asset 714xxx CR Deferred Tax Liab. 786xxx	DR APIC 795xxx DR Deferred Tax Asset 714xxx CR Deferred Tax Liab. 786xxx
12	Transfer TBT to PRR & NYC	DR TBT 782xxx CR Investment in PRR 721xxx CR Investment in NYC 721xxx	DR APIC 795xxx CR TBT 782xxx	DR APIC 795xxx CR TBT 782xxx

STB

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33388

7-22-99

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195060

SURFACE TRANSPORTATION BOARD

Memorandum

195060

ENTERED
Office of the Secretary


JUL 22 1999

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Public Record

DATE: July 22, 1999



TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FFOM  Mel Clemens, Director
Office of Compliance and Enforcement

ENTERED
Office of the Secretary

JUL 22 1999

Part of
Public Record



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

- cc: Chairman Morgan
- Vice Chairman Clyburn
- Commissioner Burkes
- Richard Armstrong
- Ron Douglas
- Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

July 21, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
U.S. Department of Transportation
The Mercury Building
1925 K Street, N.W., Suite 500
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, July 16.

This week's reports showed week-over-week improvement. Total cars on line decreased 778 cars, slightly less than 1% over the prior week. Line-of-road velocity improved over the previous week from 18.3 to 19.1. Weekly dwell for the system was 30.7 hours, 7% lower than the previous week of 33.1, and reflected a trend found in each of the acquired terminals, particularly Selkirk in Albany, N.Y.; Avon in Indianapolis; and Frontier in Buffalo. A special area of emphasis continues to be the Toledo Terminal, where the implementation of new operating plans will decrease handling between the yards and reduce overall terminal dwell. Although measures are trending in the right direction, we recognize we need to move more rapidly to the levels of service that will meet our customers' expectations.

The track work mentioned in last week's letter continues on plan but has caused some train reroutes and longer time lines for getting trains to destinations. Work progresses south of Chicago as well as within the Chicago area. Service Design and Engineering are working closely with Operations and Sales & Marketing to maximize the time work forces are given the track to complete their work and maintain train schedules to the extent possible.

Our goal for train delays and blocked sidings/multiple main lines is zero, and the report highlights good progress in that direction and continue to be well within normal operational control limits. Cars offered in interchange reflected a solid reduction. The newest measure - locomotive out-of-service ratio - also is indicative of normal operations.

The favorable trends noted in this report are reflected on all of our major routes. There are no factors that should hamper this trend from continuing next week. Our favorable progress over the last few weeks has positioned us well to handle the anticipated increased volumes from the return of coal and auto traffic.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 07/16/99

Yard Performance

(Composite of NS/CSX Traffic)

Location	Measure	Monday 7/12/99	Tuesday 7/13/99	Wednesday 7/14/99	Thursday 7/18/99	Friday 7/16/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	601	583	852	785	699
	Cars On Hand - Empty	524	650	885	860	798
	Cars On Hand - Total	1125	1233	1737	1645	1497
	Cars Handled	604	301	332	386	616
	Dwell Hours	55.9	78.3	75.2	68.8	64.4
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	262	340	478	369	431
	Cars On Hand - Empty	289	392	475	369	477
	Cars On Hand - Total	551	732	953	738	908
	Cars Handled	139	197	284	219	338
	Dwell Hours	72.4	62.1	46.3	55.8	56.4
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	188	236	205	180	186
	Cars On Hand - Empty	231	335	178	216	182
	Cars On Hand - Total	419	571	383	396	368
	Cars Handled	112	79	114	119	156
	Dwell Hours	47.6	36.7	71.1	62.6	85.7

CSX Comments: Daily on hand car counts reached peak levels by midweek at Oak Island and Pavonia. On hand volume in the East primarily attributable to a post holiday surge of at eastbound traffic destined for customers in the shared asset area. On hand levels North Yard are reduced, reflecting the seasonal pattern in the automotive industry. Terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of car status. All three terminal areas had increased terminal dwell from the prior week. The increase is attributable to the traffic surge for local customers, an increase in bridge traffic classified at Oak Island and Pavonia, seasonal velocity slow down in automotive equipment, as well as continuing challenges in departing outbound trains.

Surface Transportation Board
Performance Measures
For the week ending: 07/16/99

Surface Transportation Board

Performance Measures

For the week ending: 07/16/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	7/12/99	7/13/99	7/14/99	7/18/99	7/16/99
North Jersey SAA	Number of Originations	8	10	14	14	9
	% Ontime	0%	30%	43%	7%	0%
	% Late 0-2 Hours	38%	20%	7%	36%	22%
	% Late 2-4 Hours	13%	10%	7%	0%	22%
	% Late 4-6 Hours	0%	20%	0%	14%	0%
	% Late GT 6 Hours	50%	20%	43%	43%	56%
South Jersey SAA	Number of Originations	2	3	6	3	5
	% Ontime	50%	0%	17%	0%	20%
	% Late 0-2 Hours	0%	33%	17%	33%	0%
	% Late 2-4 Hours	0%	67%	17%	0%	40%
	% Late 4-6 Hours	0%	0%	17%	67%	20%
	% Late GT 6 Hours	50%	0%	33%	0%	20%
Detroit SAA	Number of Originations	4	10	7	5	6
	% Ontime	25%	30%	43%	40%	33%
	% Late 0-2 Hours	50%	10%	43%	20%	33%
	% Late 2-4 Hours	25%	30%	0%	0%	17%
	% Late 4-6 Hours	0%	10%	0%	20%	0%
	% Late GT 6 Hours	0%	20%	14%	20%	17%

CSX Comments: Road train originations continued to be affected by resource constraints. 42 trains were delayed for crew availability, similar to the prior week. Reported power delays remained steady delaying 7 trains.

Surface Transportation Board

Performance Measures

For the week ending: 07/16/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 7/12/99	Tuesday 7/13/99	Wednesday 7/14/99	Thursday 7/18/99	Friday 7/16/99	Daily Average
Cars Offered	NS	52	47	108	98	31	67
	All Other	2	1	15	11	126	31
	Total	54	48	123	109	157	98

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 7/12/99	Tuesday 7/13/99	Wednesday 7/14/99	Thursday 7/18/99	Friday 7/16/99	Weekly Total
Train Delay	Crew	1	0	0	0	0	1
	Power	0	0	2	2	3	7
	Congestion/Staging	3	1	0	5	0	9
	Total	4	1	2	7	3	17

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 07/16/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	7/12/99	7/13/99	7/14/99	7/18/99	7/16/99	Total
Blocked	Sidings	2	1	0	2	0	5
	Multiple Main Lines	0	0	0	0	0	0
	Total	2	1	0	2	0	5

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weighted
Measure	Locomotive	7/12/99	7/13/99	7/14/99	7/18/99	7/16/99	Daily Avg
Locomotive OOS	OOS Ratio	5.1	5.1	5.0	4.7	5.1	5.0

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

NORFOLK SOUTHERN

George A. Aspatore
General Solicitor

(757) 629-2657
(757) 533-4872
E-mail gaaspato@nscorp.com

July 21, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending July 16, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two additional schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues.

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

NORFOLK SOUTHERN

July 21, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Our operations continue to improve. The level of congestion on our system is down significantly due to the actions that we have taken since Closing and to the July downturn in traffic. Some congestion remains east of Pittsburgh as we continue to work traffic off of our system. The overall decline in congestion has allowed our terminals to work more efficiently, thereby reducing the number of train delays, and increasing average train speed. Ultimately, this puts us in a better position to handle the anticipated increase in traffic at the end of July and into August.

Last week, the terminal dwell times at Bellevue, OH, Columbus - Buckeye, OH, Conway, PA, Decatur, IL and Elkhart, IN all decreased noticeably. Terminal dwell times for our yards in Allentown, PA, Cincinnati, OH, Harrisburg, PA and Toledo - Airline, OH increased only slightly. On the monitored corridors and Chicago gateway operations, 105 trains were held for terminal congestion, 78 trains were held for crews, and 17 trains were held for power.

Our operations in the Northern Region also showed improvements from the prior week. On our newest region, the number of train delays due to crews, power and yard congestion dropped to 92 delays, from 167 delays the previous week. The number of blocked sidings and multiple main lines decreased to 77, from 95 the prior week.

The Shared Assets Areas continue to pose challenges to both NS and CSX. The average terminal dwell times at North Yard, MI, Oak Island, NJ, and Pavonia, NJ all increased due to the post-holiday traffic surge for local customers and an increase in bridge traffic classified at Oak Island and Pavonia. The numbers for North Yard reflect the seasonal pattern of the automotive industry.

Resource constraints continue to hamper road train origination performance in the SAAs. Unavailable crews caused 42 trains to be delayed for a total of 695 hours. Seven trains were delayed for a total of 109 hours by lack of power. Relieving

Mr. Melvin F. Clemens, Jr.
July 21, 1999
Page 2

outlawed crews caused 12 trains to be delayed for a total of 122 hours. Together, these causes account for about 66% of the train delay hours in the SAAs.

The success of our actions to date have placed NS in a better position to accommodate the expected uptick in traffic in the coming weeks. I will keep you informed as to our progress.

Sincerely,

Jon L. Manetta

NS Cars Offered in Interchange but not Accepted

offered	Monday 12-Jul	Tuesday 13-Jul	Wednesday 14-Jul	Thursday 15-Jul	Friday 16-Jul	daily average
CSX	177	183	0	67	0	85
other	36	168	211	110	259	157
Total	213	351	211	177	259	242

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 12-Jul	Tuesday 13-Jul	Wednesday 14-Jul	Thursday 15-Jul	Friday 16-Jul	total
Crew	9	6	11	15	16	57
Power	1	0	0	0	1	2
Yard Congestion	4	10	5	7	7	33
Total	14	16	16	22	24	92

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

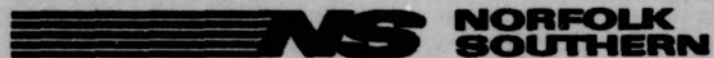
track	Monday 12-Jul	Tuesday 13-Jul	Wednesday 14-Jul	Thursday 15-Jul	Friday 16-Jul	total
Multiple Mains	5	1	1	4	5	16
Siding	11	13	13	11	13	61
Total	16	14	14	15	18	77

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 12-Jul	Tuesday 13-Jul	Wednesday 14-Jul	Thursday 15-Jul	Friday 16-Jul	week avg.
Total	5.8%	5.1%	5.2%	5.4%	5.2%	5.3%

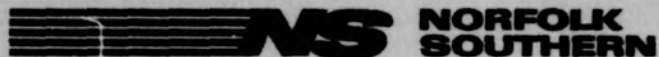
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 7/16/99

Shared Asset Train Origination Performance

location	date	Trains	on time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	12-Jul	4	25%	50%	25%	0%	0%
	13-Jul	10	30%	10%	30%	10%	20%
	14-Jul	7	43%	43%	0%	0%	14%
	15-Jul	5	40%	20%	0%	20%	20%
	16-Jul	6	33%	33%	17%	0%	17%
Detroit Total		32	34%	28%	16%	6%	16%
North Jersey	12-Jul	8	0%	38%	13%	0%	50%
	13-Jul	10	30%	20%	10%	20%	20%
	14-Jul	14	43%	7%	7%	0%	43%
	15-Jul	14	7%	36%	0%	14%	43%
	16-Jul	9	0%	22%	22%	0%	56%
North Jersey Total		55	18%	24%	9%	7%	42%
South Jersey	12-Jul	2	50%	0%	0%	0%	50%
	13-Jul	3	0%	33%	67%	0%	0%
	14-Jul	6	17%	17%	17%	17%	33%
	15-Jul	3	0%	33%	0%	67%	0%
	16-Jul	5	20%	0%	40%	20%	20%
South Jersey Total		19	16%	16%	26%	21%	21%
Grand Total		106	23%	24%	14%	9%	30%



**NORFOLK
SOUTHERN**

For the week ending 7/16/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	7/12/99	850	231	188	419	112	47.6
	7/13/99	850	335	236	571	79	36.7
	7/14/99	850	178	205	383	114	71.1
	7/15/99	850	216	180	396	119	62.6
	7/16/99	850	182	186	368	156	85.7
North Yard MI Average		850	228	199	427	116	64.1
Oak Island NJ	7/12/99	1200	524	601	1125	604	55.9
	7/13/99	1200	650	583	1233	301	78.3
	7/14/99	1200	885	852	1737	332	75.2
	7/15/99	1200	860	785	1645	386	68.8
	7/16/99	1200	798	699	1497	616	64.4
Oak Island NJ Average		1200	743	704	1447	448	66.4
Pavonia NJ	7/12/99	900	289	262	551	139	72.4
	7/13/99	900	392	340	732	197	62.1
	7/14/99	900	475	478	953	284	46.3
	7/15/99	900	369	369	738	219	55.8
	7/16/99	900	477	431	908	338	56.4
Pavonia Average		900	400	376	776	235	56.7

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7-20-99

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195031

19503,



Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510-9242

George A. Aspatore
General Solicitor



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Office of the Secretary

JUL 20 1999

Part of
Public Record

July 19, 1999

Writer's Direct Dial Number

(757) 629-2657
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E-mail: gaaspato@nscorp.com

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation

Dear Mr. Williams:

This response is an attempt at further clarification of NS service issues at The Ohio Valley Company's Powhatan #6 Mine, as detailed in Robert E. Murray's letter of July 8, 1999. This mine loads cycling trains for FirstEnergy, as well as a number of river shuttle trains.

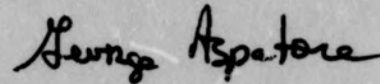
First, for a variety of reasons, NS service at this location did not meet our expectations during the first half of June. Beginning in mid-June, NS added four NS car sets (about 360 cars) to supplement our service and correct the shipment backlog, one of which the mine operator delayed loading due to a conflict with the river shuttle train. As Mr. Murray indicated, we ended June one train behind schedule for FirstEnergy, which has since been made up. Three river shuttle train loadings were postponed when all locally available resources were dedicated to FirstEnergy loadings.

The initial operating conditions that resulted in this schedule backlog, however, were railroad related and should not be attributed to any failure on the part of Ohio Valley. Compressing most of the June loadings into the last two weeks caused NS and Ohio Valley to stretch both manpower and operating assets.

July 19, 1999
Page 2

We feel that our service is returning to a more predictable and consistently acceptable level and intend to continue to work closely with The Ohio Valley Coal Company and FirstEnergy to facilitate movement of this coal.

Sincerely,



George A. Aspatore

CC: Mr. Robert Murray
President & Chief Executive Officer
The Ohio Valley Coal Company
56854 Pleasant Ridge Road
Alledonia, OH 43902

STB

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7-15-99

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SURFACE TRANSPORTATION BOARD

Memorandum

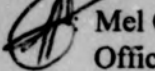


ENTERED
Office of the Secretary

DATE: July 15, 1999

JUL 15 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM :  Mel Clemens, Director
Office of Compliance and Enforcement

194993



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

- cc: Chairman Morgan
- Vice Chairman Clyburn
- Commissioner Burkes
- Richard Armstrong
- Ron Douglas
- Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

July 14, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
U.S. Department of Transportation
The Mercury Building
1925 K Street, N.W., Suite 500
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, July 9.

We continued our strong safety track. Our mid-July personal injuries show an improvement of approximately 15% compared to same period last year. FRA reportable train accidents on the expanded system continue to be flat year to date when compared to last year.

This week's reports again showed little deviation in either direction as compared to the prior week. Although there is a combination of causes, our overall performance was affected primarily by lower than normal crew availability during the holiday weekend and a continued high vacation period.

Total cars on-line peaked on July 2nd and during this reporting week began trending favorably. For the week ending July 9, total cars on line were almost 1% (1,161 cars) less than prior week. This decrease was primarily the function of two factors: a slightly faster network and better execution at the interchange points.

Much of our effort is being dedicated to actions that affect our line-of-road velocity; and we showed improvement last week, from 18.1 to 18.3 MPH. As of this writing, our line-of-road velocity has continued to increase. Our weekly dwell for the System was 33.1 hours - slightly higher than the previous week of 31.1. Again, this primarily is a result of holiday impact.

We are currently engaged in significant engineering track work programs, as is common during summer months. Track and signal groups are working throughout the network, and although planned, this has resulted in some train reroutes and increased transit times. One of the key areas where work is being performed is south of Chicago, as well as within the Chicago area. Service Design and Engineering are working closely with Operations and Sales & Marketing to maximize the time work

forces are given the track in order to complete their work and maintain train schedules to the extent possible.

Performance information for the three new measures requested by the Surface Transportation Board has been posted on our web site. Key terminals at Indianapolis (Avon) and Albany (Selkirk) continue to show improvement in dwell hours since the 4th of July holiday curtailment. This week we continued our progress in reducing yard inventories, which resulted in only 6 blocked sidings during the week. In our snapshot, crew availability was the leading cause for train delay. Obviously, our goal for train delays and blocked sidings/multiple main lines is zero, but it is important to realize that these conditions occur even on the best operational days.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 07/9/99

Yard Performance

(Composite of NS/CSX Traffic)

Location	Measure	Monday 7/5/99	Tuesday 7/6/99	Wednesday 7/7/99	Thursday 7/8/99	Friday 7/9/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	729	973	736	931	1040
	Cars On Hand - Empty	747	687	582	664	735
	Cars On Hand - Total	1476	1660	1318	1595	1775
	Cars Handled	680	644	501	392	474
	Dwell Hours	56.4	65.4	58.0	55.8	45.0
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	344	325	142	351	330
	Cars On Hand - Empty	333	202	140	321	343
	Cars On Hand - Total	677	527	282	672	673
	Cars Handled	266	148	293	384	326
	Dwell Hours	37.7	60.3	35.0	33.0	42.0
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	284	236	255	201	320
	Cars On Hand - Empty	151	335	131	118	182
	Cars On Hand - Total	435	571	386	319	502
	Cars Handled	62	190	302	212	226
	Dwell Hours	29.9	34.2	45.3	33.3	29.5

CSX Comments: Daily on hand cars counts increased at Oak Island for the second straight week, with a particular surge at weeks end. Volumes also increased at Pavonia, but remained steady at North Yard. On hand volume changes in the East are attributable to a post holiday release of eastbound traffic destined for customers in the shared asset area, coupled with continuing challenges in departing outbound trains. Terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of car status. Elapsed time calculations are complete for this week. Against measured performance from last week, Pavonia showed improvement, North Yard held steady and Oak Island declined. Inbound elapsed time to customers increased in two of the three districts due to the Fourth of July holiday.

Surface Transportation Board

Performance Measures

For the week ending: 07/9/99

Surface Transportation Board

Performance Measures

For the week ending: 07/9/99

Train Originations

(Composite of NS/CSX Traffic)

Location	Measure	Monday 7/5/99	Tuesday 7/6/99	Wednesday 7/7/99	Thursday 7/8/99	Friday 7/9/99
North Jersey SAA	Number of Originations	9	8	6	8	8
	% Ontime	44%	38%	17%	13%	25%
	% Late 0-2 Hours	0%	25%	17%	0%	38%
	% Late 2-4 Hours	0%	0%	0%	0%	13%
	% Late 4-6 Hours	11%	0%	17%	25%	0%
	% Late GT 6 Hours	44%	38%	50%	63%	25%
South Jersey SAA	Number of Originations	1	1	2	3	3
	% Ontime	0%	0%	0%	0%	33%
	% Late 0-2 Hours	100%	0%	0%	0%	0%
	% Late 2-4 Hours	0%	0%	0%	33%	67%
	% Late 4-6 Hours	0%	100%	50%	33%	0%
	% Late GT 6 Hours	0%	0%	50%	33%	0%
Detroit SAA	Number of Originations	2	3	6	6	7
	% Ontime	0%	33%	0%	17%	29%
	% Late 0-2 Hours	0%	33%	17%	33%	0%
	% Late 2-4 Hours	0%	0%	17%	0%	0%
	% Late 4-6 Hours	0%	0%	0%	0%	29%
	% Late GT 6 Hours	100%	33%	67%	50%	43%

CSX Comments: Road train originations continued to be affected by resource constraints. 34 trains were delayed for crew availability. 7 trains were delayed due to power availability, a reduction from the previous week.

Surface Transportation Board

Performance Measures

For the week ending: 07/9/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

Measure	Railroad Offered To	Monday 7/5/99	Tuesday 7/6/99	Wednesday 7/7/99	Thursday 7/8/99	Friday 7/9/99	Daily Average
Cars Offered	NS	192	142	102	137	53	125
	All Other	56	2	68	51	1	36
	Total	248	144	170	188	54	161

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

Measure	Cause of Delay	Monday 7/5/99	Tuesday 7/6/99	Wednesday 7/7/99	Thursday 7/8/99	Friday 7/9/99	Weekly Total
Train Delay	Crew	2	2	3	2	7	16
	Power	0	1	2	1	5	9
	Congestion/Staging	1	0	0	1	0	2
	Total	3	3	5	4	12	27

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

Measure	Track Type	Monday 7/5/99	Tuesday 7/6/99	Wednesday 7/7/99	Thursday 7/8/99	Friday 7/9/99	Weekly Total
Blocked	Sidings	3	0	0	0	3	6
	Multiple Main Lines	0	0	0	0	0	0
	Total	3	0	0	0	3	6

NORFOLK SOUTHERN

George A. Aspatore
General Solicitor

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E-mail gaaspato@nscorp.com

July 14, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending July 9, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas, NS Cars Offered in Interchange but not Accepted, NS Train Delays, and NS Blocked Sidings and Multiple Main Lines. Also included are confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two additional schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations.

Finally, per your request, I have included a schedule that provides you with a daily snapshot of our Locomotive Bad Order Ratio. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

NORFOLK SOUTHERN

July 14, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Over the past few weeks, I described many things that Norfolk Southern is doing to improve our operations in our new Northern Region. Our actions continue to result in steady improvement. On our overall system, the numbers echo the theme of steady improvement.

The number of cars on line continues to decrease significantly as a result of the actions that we have taken. Additionally, the downturn in traffic, which I described last week, has contributed to our performance. Last week, beginning on Sunday, July 4, and ending on Saturday, July 10, we successfully flushed over 4,000 cars from our system. We anticipate this trend will continue.

The improvement in our operations is the result of our effort to focus on flushing from our terminals congesting cars, which began building up during the initial two weeks after Closing. In early July, we started holding trains out of our Northern Region terminals in order to allow the terminals to process cars more efficiently. This resulted in a drop in our system-wide average train speed, but we felt that it would be justified if it allowed us to relieve congestion at our terminals.

The terminal dwell times in this week's report show that we are seeing the positive effects of this strategy. The terminal dwell times at all but two of our reported yards decreased. Terminal dwell times for our yards in Decatur, IL and Elkhart, IN increased slightly. On the other hand, our decision to hold trains out of yards has affected our on-time train performance by increasing the number of delays throughout our system. Last week on the monitored corridors and Chicago gateway operations, 151 trains were held for terminal congestion, 99 trains were held for crews, and 31 trains were held for power.

SURFACE TRANSPORTATION BOARD

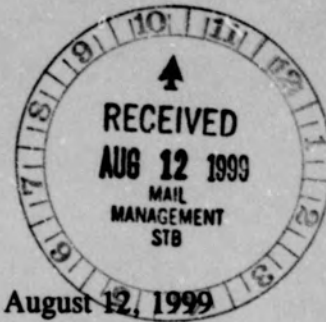
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Office of the Secretary

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
Part of
Public Record



DATE: August 12, 1999

D

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

August 11, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
The Mercury Building
1925 K Street, N.W., Suite 780
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, August 6.

The reports this week again show a continuation of normal operations from the previous week. Terminal dwell for the system remained steady at 29.9 hours, with last week reported at 29.7 hours. Total cars on line increased slightly by 1354 cars, or less than 1% from last week. Line-of-road velocity decreased slightly from 18.7 to 18.4 MPH. A special area of emphasis continues to be the Toledo Terminal, where the operating systems cut-over was completed this week. These changes now combine the entire Terminal under the CSXT operating system.

In examining the data CSXT provides the STB, Conrail Transaction Council, and the AAR, we would offer the following observations and interpretations:

Gateway Operations

Measurements of interchange timeliness with foreign carriers remain at much the same level week-to-week, and have not changed significantly since the beginning of the integration. The total percentage of trains On-Time to 2 hours late to connections improved to 33% over the previous week of 25%. This performance level has not created any reported problems for the Western gateway carriers.

Yards and Terminals

Yard and terminal measurements show a generally favorable trend. Cars-on-hand at Selkirk (Albany) and Buffalo (Frontier) have shown a decrease for the past four weeks. Dwell times at Cincinnati (Queensgate) increased this week but the average cars handled went down indicating that dwell time has not affected yard fluidity. Average cars handled at Cumberland, increased due to rerouted traffic and that impacted their dwell number a little more than 6 percentage points to 36.0. Dwell numbers this week also fell at Toledo (Walbridge) and Syracuse NY.

Cars on-hand have increased slightly at Blue Island and Willard, OH. Toledo (Stanley) and Detroit also reported an increase in yard dwell hours. These yards have been impacted by scheduled track maintenance now underway, and by the increase of traffic associated with coal and auto shipments returning to full volumes. Walbridge and Stanley, the two Toledo yards, should begin to improve with the implementation of common computer systems.

These fluctuations are all within normal operational control limits and CSXT will continue to drive toward improvement.

Corridor Performance

Performance over the six measured corridors declined slightly. This was due primarily to traffic level increases following automotive and coal mining vacation periods. Chicago-to-Baltimore, and East St. Louis-to-Baltimore showed the highest number of trains delayed. New Orleans-to-Carolinas performance decreased the last reporting week mainly due to track maintenance work as a result of a rail test program. July and August are the highest track maintenance work level of the year and all corridors have been affected.

Shared Areas

Daily on hand car counts decreased at Pavonia and North Yard for the third consecutive week. Oak Island on-hand volume remained steady, and while heavy is typical of the levels seen since Split Day. North Yard and Oak Island reported decreases in terminal dwell while Pavonia reported a marginal increase due to movement of cars to industry that had been held for prospective loading. All three locations displayed fluidity improvements at week's end.

On-Time train origination improved 2% in the North Jersey SAA, 5% in the South Jersey SAA and 21% in the Detroit SAA or 6% composite for all three locations. Road train delays decreased over the prior week. Power availability was steady with 13 trains delayed, up one more from the prior week. Crew delays were reduced to 19 trains from 25 the prior week.

Additional Measurements

Cars Offered in Interchange were reduced drastically from a daily average of 185 the prior week to an average of 25 for the current reported week. Total Train Delay per the daily snapshot increased from a weekly total of 23 the previous week to 44 for the current reported week. The increase was seen in Congestion/Staging which was spread over the acquired territory and not concentrated at any one or two locations. Blocked Sidings or Multiple Main Lines also saw an increase from a weekly total of 2 the previous week to 22 for the current reported week. The

majority of these trains were holding out of Indianapolis (Avon). Locomotive Out of Service Ratio improved to 5.1% from 5.9% the previous week.

Our goal is to progress all of these measurements in a positive direction. These measurements do not suggest any significant negative trends. Nonetheless we recognize we need to continue our efforts to reach levels of service that will exceed customer expectations. We feel that our steady progress over the past weeks has positioned us for the fall peak period.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 08/06/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	683	500	710	679	678
	Cars On Hand - Empty	575	468	760	813	795
	Cars On Hand - Total	1258	968	1470	1492	1473
	Cars Handled	693	560	638	661	493
	Dwell Hours	58.0	56.3	58.3	43.4	44.8
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	386	215	272	224	224
	Cars On Hand - Empty	264	140	277	273	272
	Cars On Hand - Total	650	355	549	497	496
	Cars Handled	463	381	357	482	268
	Dwell Hours	67.5	40.4	64.7	45.0	24.9
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	165	187	184	203	203
	Cars On Hand - Empty	139	176	155	111	106
	Cars On Hand - Total	304	363	339	314	309
	Cars Handled	177	320	200	316	317
	Dwell Hours	96.7	46.1	49.6	29.9	29.0

CSX Comments: Daily on hand car counts decreased at Pavonia and North Yard for the third consecutive week. Oak Island on-hand volume remained steady, and while heavy is well within the levels seen since Split Day. Terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of car status. Methodology for capturing and reporting terminal dwell was changed this week. Terminal dwell will now reflect a greater percentage of traffic. While overall elapsed time appeared to have increased marginally from last week, overall terminal dwell time decreased from 51.5 to 50.3 hours. North Yard and Oak Island reported decreases in terminal dwell while Pavonia reported a marginal increase due to movement of cars to industry that had been held for prospective loading. All three locations displayed fluidity improvements at weeks end.

Surface Transportation Board

Performance Measures

For the week ending: 08/06/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99
North Jersey SAA	Number of Originations	7	22	21	21	20
	% Ontime	86%	45%	38%	43%	60%
	% Late 0-2 Hours	14%	23%	33%	38%	20%
	% Late 2-4 Hours	0%	9%	10%	10%	0%
	% Late 4-6 Hours	0%	5%	10%	10%	10%
	% Late GT 6 Hours	0%	18%	10%	0%	10%
South Jersey SAA	Number of Originations	7	7	10	10	8
	% Ontime	29%	0%	40%	20%	38%
	% Late 0-2 Hours	14%	0%	0%	10%	13%
	% Late 2-4 Hours	0%	0%	10%	10%	0%
	% Late 4-6 Hours	14%	0%	20%	20%	13%
	% Late GT 6 Hours	43%	0%	30%	40%	38%
Detroit SAA	Number of Originations	4	5	7	7	7
	% Ontime	25%	80%	29%	86%	43%
	% Late 0-2 Hours	25%	0%	14%	14%	14%
	% Late 2-4 Hours	0%	0%	14%	0%	43%
	% Late 4-6 Hours	25%	20%	29%	0%	0%
	% Late GT 6 Hours	25%	0%	14%	0%	0%

CSX Comments: Road train delays decreased over the prior week. Power delays remained fairly steady with 13 trains delayed up only 1 train from the prior week. Crew delays were reduced to 19 trains from 25 the prior week.

Surface Transportation Board

Performance Measures

For the week ending: 08/06/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99	Average
Cars Offered	NS	0	0	0	60	0	12
	All Other	58	2	1	1	1	13
	Total	58	2	1	61	1	25

Measures all cars in offered interchange status on acquired Conrail territory only. Volumes are listed by cars offered to NS (Norfolk Southern) and All Other Railroads.

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Cause of Delay	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99	Total
Train Delay	Crew	0	0	0	0	0	0
	Power	4	7	0	6	5	22
	Congestion/Staging	3	3	6	7	3	22
	Total	7	10	6	13	8	44

Measures the number of scheduled road trains being held for crew, power, and congestion/staging on Conrail acquired territory only (includes trains in Shared Assets Area for owner road).

Surface Transportation Board

Performance Measures

For the week ending: 08/06/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

Measure	Track Type	Monday 8/2/99	Tuesday 8/3/99	Wednesday 8/4/99	Thursday 8/5/99	Friday 8/6/99	Weekly Total
Blocked	Sidings	0	0	2	3	0	5
	Multiple Main Lines	3	3	4	4	3	17
	Total	3	3	6	7	3	22

Measures blocked sidings or multiple main lines with or without crews for other than normal operating purposes on Conrail acquired territory only.

CSXT Locomotive Out-of-Service Ratio

(Average of 3 Snapshots for Day Measured)

Measure	Locomotive	Monday 8/2/99	Tuesday 8/3/99	Wednesday 8/4/99	Thursday 8/5/99	Friday 8/6/99	Daily Average
Locomotive OOS	OOS Ratio	5.6	5.0	4.8	5.4	4.8	5.1

Average of the 07:00, 15:00, and 23:00 out of service ratio snapshots for CSXT ownership locomotives.

George A. Aspatore
General Solicitor

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E-mail gaaspat@nscorp.com

August 11, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending August 6, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Train Delays, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Bad Order Ratio.

Additionally, this transmittal includes confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues.

As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

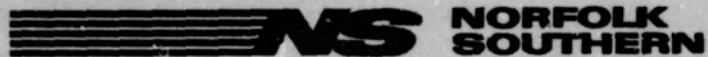
The good news is that, despite an increase in total delays across our entire system, the number of delays in our Northern Region decreased significantly. Also, the number of blocked sidings and multiple main lines decreased by roughly 30% from the prior week. As we continue to improve our operations in the Northern Region, we expect to see the number of delays across the system decrease.

NS and CSX continue to address operating issues in the Shared Assets Areas. There, the average terminal dwell time at Pavonia, NJ decreased slightly, while the average terminal dwell times at North Yard, MI and Oak Island, NJ increased marginally. Resource constraints continue to be the largest cause of train delays. Unavailable crews caused 34 trains to be delayed for a total of 477 hours. Seven trains were trains delayed for a total of 80 hours by lack of power. Relieving outlawed trains caused 14 trains to be delayed for a total of 94 hours. Together, these causes account for about 60% of the train delay hours in the SAAs.

I continue to feel confident that we are making significant progress in our operations. As always, I will keep you informed as to our improvement in the coming weeks.

Sincerely,

Jon L. Manetta

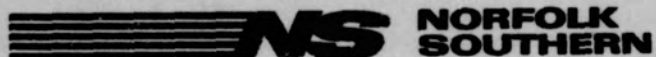


**NORFOLK
SOUTHERN**

For the week ending, 7/9/99

Shared Asset Train Origination Performance

location	date	Trains	on time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	5-Jul	2	0%	0%	0%	0%	100%
	6-Jul	3	33%	33%	0%	0%	33%
	7-Jul	6	0%	17%	17%	0%	67%
	8-Jul	6	17%	33%	0%	0%	50%
	9-Jul	7	29%	0%	0%	29%	43%
Detroit Total		24	17%	17%	4%	8%	54%
North Jersey	5-Jul	9	44%	0%	0%	11%	44%
	6-Jul	8	38%	25%	0%	0%	38%
	7-Jul	6	17%	17%	0%	17%	50%
	8-Jul	8	13%	0%	0%	25%	63%
	9-Jul	8	25%	38%	13%	0%	25%
North Jersey Total		39	28%	15%	3%	10%	44%
South Jersey	5-Jul	1	0%	100%	0%	0%	0%
	6-Jul	1	0%	0%	0%	100%	0%
	7-Jul	2	0%	0%	0%	50%	50%
	8-Jul	3	0%	0%	33%	33%	33%
	9-Jul	3	33%	0%	67%	0%	0%
South Jersey Total		10	10%	10%	30%	30%	20%
Grand Total		73	22%	15%	7%	12%	44%



For the week ending 7/9/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	6/28/99	850	151	284	435	62	29.9
	6/29/99	850	335	236	571	190	34.2
	6/30/99	850	131	255	386	302	45.3
	7/1/99	850	118	201	319	212	33.3
	7/2/99	850	182	320	502	226	29.5
North Yard MI Average		850	183	259	443	198	36.0
Oak Island NJ	6/28/99	1200	747	729	1476	680	56.4
	6/29/99	1200	687	973	1660	644	65.4
	6/30/99	1200	582	736	1318	501	58.0
	7/1/99	1200	664	931	1595	392	55.8
	7/2/99	1200	735	1040	1775	474	45.0
Oak Island NJ Average		1200	683	882	1565	538	56.8
Pavonia NJ	6/28/99	900	333	344	677	266	37.7
	6/29/99	900	202	325	527	148	60.3
	6/30/99	900	140	142	282	293	35.0
	7/1/99	900	321	351	672	384	33.0
	7/2/99	900	343	330	673	326	42.0
Pavonia Average		900	268	298	566	283	39.2

NS Cars Offered in Interchange but not Accepted

offered	Monday 5-Jul	Tuesday 6-Jul	Wednesday 7-Jul	Thursday 8-Jul	Friday 9-Jul	daily average
CSX	993	170	426	107	334	406
other	0	0	0	33	33	13
Total	993	170	426	140	367	419

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delay

cause	Monday 5-Jul	Tuesday 6-Jul	Wednesday 7-Jul	Thursday 8-Jul	Friday 9-Jul	total
crew	34	27	23	19	15	118
power	5	11	8	10	7	41
yard congestion	3	0	0	3	2	8
Total	42	38	31	32	24	167

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

track	Monday 5-Jul	Tuesday 6-Jul	Wednesday 7-Jul	Thursday 8-Jul	Friday 9-Jul	total
Multiple Mains	8	6	6	4	3	27
Siding	18	13	13	13	11	68
Total	26	19	19	17	14	95

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 5-Jul	Tuesday 6-Jul	Wednesday 7-Jul	Thursday 8-Jul	Friday 9-Jul	week avg.
Total	5.8%	5.8%	5.7%	5.6%	4.7%	5.5%

Snapshot taken at midnight

Does not include locomotives leased out or stored

STB FD

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STEPTOE & JOHNSON LLP

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Washington, DC 20036-1795

Telephone 202.429.3000
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www.steptoel.com

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JUL 16 1999

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Public Record

DAVID H. COBURN
(202) 429-8063
dcoburn@steptoel.com



July 15, 1999

VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Room 711
1925 K Street, N.W.
Washington, D.C. 20423

Re: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreements - Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

Further to the requirement in Ordering Paragraph No. 22 at page 177 of Decision No. 89 in the above proceeding, CSX Corporation and CSX Transportation, Inc. ("CSX") hereby submit the attached second quarterly report reflecting the origins, destinations and cross-Hudson River routings for truck traffic at the intermodal terminals in northern New Jersey and Massachusetts that were operated by CSX prior to the June 1, 1999 Split Date or allocated to it under the Conrail transaction (Little Ferry, NJ; North Bergen, NJ; Kearny, NJ; Boston, MA; Springfield, MA; and Worcester, MA). This second report covers the pre-Split Date three month period between March 1, 1999 and May 31, 1999. Traffic was surveyed for six non-consecutive days during those three months, with two of the survey dates falling during each of the three months. Sampling has of course continued following the June 1, 1999 Split Date and post-Split Date reports will be submitted hereafter on a quarterly basis consistent with the Board's Decision.

Please note that with respect to the attached New Jersey report, the data reflects the ultimate origin or destination of the surveyed traffic utilizing the George Washington Bridge. The report also shows the volume of surveyed traffic using other Hudson River crossings and the much larger volume of traffic handled at the New Jersey intermodal terminals that does not cross the Hudson River (see "west of Hudson" figure). Please further note that the Massachusetts

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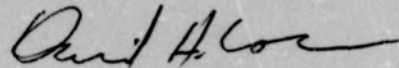
The Honorable Vernon A. Williams
July 15, 1999
Page 2

survey reflects the volume of surveyed traffic which crosses the George Washington Bridge and that which does not utilize the George Washington Bridge.

In its initial report, submitted April 28, 1999, CSX noted that there had been some data collection problems at its Kearny, NJ terminal which depressed the traffic volume figures reflected on the prior report. As the Board will see from the attached data, the volume figures reflected on this second report are somewhat greater. This is largely because of CSX's efforts to remedy the data collection problems at Kearny. CSX is continuing to address those problems and expects continued improvement in data collection at that facility in the coming months.

Please direct any questions concerning this report to the undersigned.

Respectfully,



David H. Coburn
Attorney for CSX Corporation and CSX
Transportation, Inc.

DHC:dj
Attachments

New Jersey Terminals¹ Survey Results for March 1, 1999 through May 31, 1999

ST	CITY	INBOUND	OUTBOUND	TOTAL
	Unknown	13	13	26
CT	Unknown	10	5	15
CT	BRANFORD	1	0	1
CT	DANBURY	0	1	1
CT	DAYVILLE	1	0	1
CT	HARTFORD	2	4	6
CT	MILFORD	1	1	2
CT	NEWHAVEN	1	4	5
CT	NEWMILFOR	0	2	2
CT	NEWTON	0	1	1
CT	NORWALK	1	0	1
CT	NORWICH	0	1	1
CT	STAMFORD	13	21	34
CT	STRATFORD	0	5	5
CT	WESTHAVEN	1	0	1
CT	WHARMON	0	1	1
CT	WHAVEN	0	1	1
CT	WINDSOR	0	1	1
MA	Unknown	10	11	21
MA	ALLSTON	3	2	5
MA	BOSTON	1	0	1
MA	DALTON	1	0	1
MA	SALEM	1	0	1
MA	SPRINGFIE	2	0	2
MA	WORCESTER	9	77	86
ME	Unknown	2	0	2
ME	POLSPRING	1	0	1
NY	Unknown	2	1	3
NY	BRONX	76	114	190
NY	BROOKLYN	34	37	71
NY	EDWOOD	1	0	1
NY	HASTINGS	0	1	1
NY	LONG ISLAND	72	91	163
NY	MANHATTAN	15	20	35
NY	PTCHESTER	0	1	1
NY	QUEENS	32	51	83
NY	RAYBROOK	1	0	1
NY	STAISLAND	2	2	4
NY	SYRACUSE	1	0	1
NY	TARRYTOWN	0	1	1
NY	YONKERS	1	0	1
RI	Unknown	0	1	1
RI	CUMBERLAN	1	0	1
RI	PROVIDENCE	1	0	1
George Washington		313	471	784

¹ The surveyed terminals were Little Ferry, Kearny, and North Bergen.

New Jersey Terminals Survey Results for March 1, 1999 through May 31, 1999

	Inbound	Outbound	Total
George Washington	313	471	784
Tappan Zee	11	23	34
Staten Is. Crossings	32	34	66
Manhattan Tunnels	6	7	13
All Other	4	5	9
<hr/>			
East of Hudson	366	540	906
West of Hudson	1371	2348	3719
<hr/>			
GRAND TOTAL	1737	2888	4625

Massachusetts Terminals¹ Survey Results for March 1, 1999 through May 31, 1999

	INBOUND	OUTBOUND	TOTAL
George Washington Bridge	33	22	55
Other	1698	1793	3491
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GRAND TOTAL	1731	1815	3546

¹ The surveyed terminals were Boston, Springfield and Worcester.

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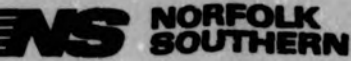
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Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510-9242

George A. Aspatore
General Solicitor



Writer's Direct Dial Number

(757) 629-2657
(757) 533-4872 (fax)

July 12, 1999

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

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JUL 13 1999

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Re: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc.,
Norfolk Southern Corporation and Norfolk Southern Railway Company - Control
and Operating Leases/Agreements - Conrail Inc. and Consolidated Rail Corporation

Dear Mr. Williams:

Pursuant to Ordering Paragraph No. 22 at page 177 of Decision No. 89 in the above proceeding, applicants Norfolk Southern Corporation and Norfolk Southern Railway Company ("NS") hereby submit the attached report and 25 copies reflecting the origins, destinations, and routings for the truck traffic at the intermodal terminal at Croxton, New Jersey, which was allocated to NS pursuant to the Conrail transaction.

This report contains survey results from March, April, and May 1999. During each month, traffic was surveyed for two non-consecutive days, for a total of six survey days. Unfortunately, the figures remain slightly understated because we only collected data for the loaded units entering and exiting the terminal only, rather than for all equipment entering and exiting the terminal. We are working to clear up this miscommunication for our next report in September.

Please do not hesitate to call me if you have any questions regarding the attached report.

Respectfully,

George A. Aspatore

CC: Melvin F. Clemens, Jr.
Attachment

Norfolk Southern Corporation
 Intermodal Terminal Report No. 2
 Croxton Intermodal Terminal (NJIT).

Surveying for March, April, & May 1999



ST CITY	INBOUND	OUTBOUND	TOTAL
Unknown	4	1	5
CT DANBURY		1	1
CT EAST GRANBY	1		1
CT EAST HARTFORD		1	1
CT HARTFORD	1		1
CT MANCHESTER	1	1	2
CT NEW HAVEN		2	2
CT ORANGE	1		1
CT SHELTON	1		1
CT STAMFORD		2	2
CT Unknown	2	3	5
CT WALLINGFORD		1	1
MA ALSTON	1		1
MA CHELMSFORD	1		1
MA FALL RIVER	1		1
MA LENOX	1		1
MA NORTH DARTHMOUTH	1		1
MA SOUTH BORO	1		1
MA SOUTHLEE		2	2
MA Unknown		2	2
MA WORCESTER	1		1
ME ROCKLAND		2	2
NY BRONX	1	4	5
NY BROOKLYN	1	5	6
NY HICKSVILLE		1	1
NY LONG ISLAND	11	7	18
NY MANHATTAN		3	3
NY MANHATTEN	1		1
NY PORT CHESTER		1	1
NY QUEENS	1	3	4
NY STATEN ISLAND		12	12
NY Unknown	2	4	6
RI Unknown	1		1

George Washington	36	58	94
George Washington	36	58	94
Tappan Zee	20	10	30
Staten Island Crossings	33	50	83
Manhattan Tunnels	11	20	31
Other	11	44	55
East of Hudson	111	182	293
West of Hudson	445	1,072	1,517
GRAND TOTAL	556	1,254	1,810

These results reported for Croxton are for loaded units entering and exiting the terminal.

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SURFACE TRANSPORTATION BOARD

Memorandum

194961



DATE: July 9, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

ENTERED
Office of the Secretary

FROM *FOR* : Mel Clemens, Director
Office of Compliance and Enforcement

JUL 12 1999

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Public Record

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger

R.J. Haulter
Assistant Vice President-Integration Planning

July 9, 1999

Melvin F. Clemens, Jr.
Director Office of Compliance and Enforcement
Surface Transportation Board
Washington, DC 20423-0001

Dear Mr. Clemens:

Attached to this letter are the Operational Monitoring Reports required in STB Finance Docket No. 33388.

The reports are presented in the following order:

Labor Implementing Agreements	Page 1
Labor Task Force	Page 2
Construction and Other Capital Projects Table	Pages 3-4
Information Technology	Pages 5-8
Customer Service	Pages 9-10
Training	Pages 11-12

Note: Italicized information indicates a change or update from the last report.

Please contact Bob Haulter, Assistant Vice President-Integration Planning at CSX Transportation (E-mail: Bob_Haulter@csx.com) if there are any issues that need clarification or explanation. As information, coincident with filing this report with the STB, CSXT has made this report available on our web site (www.csx.com).

Very truly yours,

Bob Haulter

cys: Peter J. Shultz, Vice President
Law & General Counsel

Paul R. Hitchcock - J150
Senior Counsel

CSX TRANSPORTATION, INC.
STB OPERATIONAL MONITORING REPORT
As of June 30, 1999

Table of Contents

The reports are presented in the following order:

Labor Implementing Agreements	Page 1
Labor Task Force	Page 2
Construction and Other Capital Projects Table	Pages 3-4
Information Technology	Pages 5-8
Customer Service	Pages 9-10
Training	Pages 11-12

Note: Italicized information indicates a change or update from the last report.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

LABOR

The status of the Labor Implementing Agreements is as follows:

Labor Organization	Status
International Brotherhood of Boilermakers, Iron-Ship Builders, Blacksmiths, Forgers and Helpers	Implementing agreement reached.
United Railway Supervisors Association - on behalf of the claim agents	Implementing agreement reached.
United Railway Supervisors Association - on behalf of the engineering supervisors	Implementing agreement reached.
National Conference of Firemen & Oilers	Implementing agreement reached.
American Railway and Airway Supervisors Association, Division of TCU, representing bridge inspectors	Implementing agreement reached.
Fraternal Order of Police	Implementing agreement reached.
American Train Dispatchers Department of the Brotherhood of Locomotive Engineers	Implementing agreement reached.
International Brotherhood of Electrical Worker	Implementing agreement reached.
Sheet Metal Workers International Association	Implementing agreement reached.
United Railway Supervisors Association on behalf of Mechanical Department Supervisors	Implementing agreement reached.
United Transportation Union	Implementing agreement reached.
United Transportation Union - Yardmasters Department	Implementing agreement reached.
Brotherhood of Locomotive Engineers	Implementing agreement reached.
Brotherhood of Maintenance of Way Employees	Implementing Agreement reached. BMW's and IAM's petitions for review of the arbitrated BMW implementing agreement have been dismissed.
Brotherhood of Railway Signalmen	Implementing agreement reached.
International Association of Machinist	Implementing agreement reached.
Transportation Communication International Clerks Union	Implementing agreement reached.
Brotherhood Railway Carmen Division - TCU and Transport Workers Union of America	Implementing agreement reached. TWU's petition for review has been dismissed.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

LABOR

Labor Management Task Force

CSXT has now sent an invitation to each of its unions with which an implementing agreement has been reached and which will continue to represent employees on CSXT to participate in a labor task force similar to the one established with the United Transportation Union. To date, the National Conference of Firemen & Oilers, the International Brotherhood of Boilermakers, Ironship Builders, Blacksmiths, Forgers and Helpers, Transportation Communications International Union, International Brotherhood of Electrical Workers, Brotherhood of Railway Signalmen and American Train Dispatchers Department-BLE have responded affirmatively to our invitation to participate in a labor task force similar to the one established with the United Transportation Union.

The International Association of Machinist and Aerospace Workers also was invited to establish a labor task force. The Organization respectfully declined the invitation citing its current participation in the CSXT labor/management safety program and the SACP Program currently being sponsored by the Federal Railroad Administration. The IAM did, however, state that it "will always be willing to meet with representatives of CSXT and other rail labor representatives to discuss specific issues concerning the application of our implementing agreement and safety related issues as deemed necessary and appropriate."

CSXT has begun the process of scheduling labor task force meetings with the unions who have expressed an interest in participating. A meeting with the Brotherhood of Railway Signalmen was held on April 20, 1999. Also a meeting with various shopcraft unions was held in Cumberland, Maryland on April 20, 1999.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
1) Greenwich, Ohio to Pine Junction, Indiana	Construct 2 nd main track with TCS on B&O including connections.	Complete	4Q 98
2) Quaker to Greenwich, Ohio	Construction by Conrail of 2 nd main track with TCS.	Complete	4Q 98
3) Willard, Ohio	Yard Expansion	Complete	1Q 99
4a) Crestline, Ohio	a) Construct or rehabilitate connection tracks with Indianapolis Line.	a) Complete	2Q 99
4b) Sidney, Ohio	b) Connection Track	b) Complete	4Q 98
4c) Marion, Ohio	c) Rehabilitate Connection Track	c) Complete	1Q 99
5) Carleton, Michigan	Connect track with Conrail	Complete	4Q 98
6a) Alice, Indiana	a) Siding Extension	a) Complete	a) 3Q 98
6b) Harwood, Indiana	b) Siding Extension	b) Complete	b) 4Q 98
7a) Chicago, Illinois	a) Intermodal Expansions	a) Complete	a) 3Q 98
7b) Cleveland, Ohio	b) Intermodal Expansions	b) Complete	b) 1Q 99
7c) Philadelphia, Pennsylvania	c) Intermodal Expansions	c) Underway	c) 3Q 99
7d) Little Ferry, New Jersey	d) Intermodal Expansions	d) Complete	d) 3Q 98
8) Philadelphia, Pennsylvania	Rebuild Eastwick connection track with Conrail.	Complete	4Q 98
9) Hobart, Indiana to Tolleston, Indiana	Restoration of connection and main track between Hobart & Tolleston.	Complete	2Q 99

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
10) Chicago, Illinois	Chicago area-upgrade connection tracks and other improvements.	Complete	2Q 99
11) Newell & New Castle, Pennsylvania	Upgrade capacity on the Mon. Subdivision	Complete	4Q 98
12) Albany, New York to Bergen, New Jersey	Extend 3 sidings by Conrail on River Line	Complete	4Q 98
13) Little Ferry, New Jersey	Connection track Conrail/NYSW	Complete	2Q 99
14) Dolton, Illinois	Connection track @ Lincoln Avenue CSX/IHB	Complete	2Q 99

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

INFORMATION TECHNOLOGY

Information Technology

The implementation strategy, training plans, and status of the Information Technology (IT) initiatives affecting the following Operating Areas are summarized:

- ❖ Customer Service
 - Electronic Customer Connectivity
- ❖ Operations Personnel
 - Crew Management
- ❖ Transportation
 - Car Management & Movement
 - Locomotive Management
 - Train Dispatching

Operating Area	Implementation Strategy	Status	Training
Customer Service Electronic Customer Connectivity	<p>All inbound (e.g. bill-of-lading) and outbound (e.g. car tracing) electronic communications with existing Conrail customers are to be migrated to CSX and NS. All customers will be informed of their system migration options and have the opportunity to test the replacement electronic connections prior to a transfer of the customer communications links on Day 1.</p> <p>CSX and NS will work with all affected customers and EDI vendors to develop migration plans</p>	<p>Systems testing in process and on schedule</p> <p>A joint letter was distributed to current Conrail customers</p> <p>Existing and new Conrail Electronic Commerce customers have been contacted by CSX in separate mailings</p> <p>Electronic Commerce Certification of Conrail customers acquired by CSX is in progress.</p> <p>Planned customer conversions to CSX Electronic Commerce tools are complete.</p>	<p>All customers will be provided adequate systems documentation and a detailed description of any changes to their current Conrail-provided electronic services</p> <p>All customers targeted for conversion to CSX electronic commerce tools have received information regarding the changes.</p> <p>All customer training and customer conversions are complete.</p>

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
<p><i>Operations Personnel</i> Crew Management</p>	<p>Separation of callings desks (CSX, NS, SAC) in Dearborn, MI has been pre-negotiated and is in place. There will be a phased roll-out of eight calling desks to TECS – the CSX Crew Calling System. The first desk will be rolled out 50 days after Day 1.</p> <p>T&E Crews will continue to submit paper time sheets to Dearborn, MI until the TECS desk roll-out is completed. Paperless payroll implementation will take place 2 weeks after each TECS desk implementation. The entire roll-out will take approximately seven months.</p>	<p>Systems development in process and on schedule.</p> <p><i>The TECS desk roll-out is still on schedule.</i></p>	<p>CSX Payroll officers will train T&F employees on the CSX Payroll system immediately following the implementation of TECS. Local Chairman will participate in the training. Training documents have been prepared and presented to Conrail personnel.</p> <p>Training sessions have been scheduled.</p>
<p>Transportation Car Management and Movement</p>	<p>Field personnel will continue using Conrail application systems supporting yard inventory, train consisting and work orders after Day 1.</p> <p>Disposition and management of empty cars will occur in Jacksonville using CSX systems after Day 1 to ensure coordinated system wide transportation operations.</p> <p>Customers on the acquired territory will continue to order empty cars and obtain information on order status as they do today.</p> <p>CSX systems will be rolled-out to the acquired Conrail territory in 5 phases after Day 1.</p>	<p>Systems development in process and on schedule.</p> <p><i>Toledo Stanley Yard will be implemented on CSX by the end of July.</i></p>	<p>Conrail Car Management team has been hired for the transition period. Training of Conrail Car Management staff has begun and is scheduled for completion by the end of May.</p> <p>Training of affected field location personnel to begin 30 days prior to each field roll-out phase.</p>

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

Operating Area	Implementation Strategy	Status	Training
<p>Transportation Locomotive Management</p>	<p>CSX Locomotive Management System (LMS) will be used to manage locomotives in CSX acquired territory beginning on Day 1. This will occur from the Operations Center in Philadelphia, PA for approximately 180 days after Day 1. The management team in Philadelphia will consist of two locomotive managers and one senior locomotive manager. Dual entry of locomotive assignments will be made to the Conrail Locomotive Distribution System (LDS). Shutdown of Conrail LDS will accompany field roll-out and will be dependent upon other Conrail Systems (TRIMS & TMS) no longer relying on assignments being passed from Conrail LDS.</p> <p>Within 180 days after Day 1, locomotive management for the acquired Conrail territory will be relocated to the Kenneth Dufford Center in Jacksonville. Two CSX Locomotive Managers will manage the acquired territory at that time.</p>	<p>Implementation was completed June 1st.</p> <p>Dual entry into Conrail LDS was discontinued June 15th.</p> <p>The locomotive management of the acquired territory will be transitioned to the Kenneth Dufford Center in Jacksonville, FL by the end of July.</p>	<p>Locomotive managers for the acquired Conrail territory have been trained on the CSX Locomotive Management System (LMS). Locomotive Management has conducted training that included cross training of CSX and Conrail cultures.</p>

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
<p><i>Transportation</i> Train Dispatching</p>	<p>Train dispatchers will continue to use current Conrail systems. Phase 1 geographic realignments will separate dispatchers into CSX, NS & SAC entities within current division offices. Phase 1 will complete 90-120 days after Day 1.</p> <p>Phase 2 division realignment will move dispatchers to acquiring road's division. CSX Cleveland East dispatcher in Dearborn, MI will move to CSX headquarters in Indianapolis, IN. CSX Chesapeake & Riverline dispatchers in Mt. Laurel, NJ will move to CSX headquarters in Albany, NY. Phase 2 will complete 90-120 days after an implementing agreement has been reached.</p> <p>Phase 2 moves are contingent upon Phase 1 realignment completion for territory being transferred. Also contingent upon an implementing agreement being in place with the ATDD.</p>	<p>Systems development has been completed and implementation is proceeding on schedule.</p> <p>Phase 1 realignments :</p> <p>Albany, Indianapolis & Philadelphia complete.</p> <p>Dearborn Division started.</p> <p>Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments:</p> <p>Two dispatcher desks moved from Mt. Laurel to Albany 5/4/99.</p> <p><i>One dispatcher desk moved from Dearborn to Indianapolis on 6/15/99.</i></p> <p><i>Phase 2 projected to be completed by August 10.</i></p> <p>Implementing agreements are now in place.</p>	<p>Dispatchers will be trained on their new territory using the current processes in place at Conrail.</p>

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

Customer Service Progress Report

The following report outlines our progress toward the twin goals of 1) Achieving and maintaining customer confidence in the transaction, and 2) Insuring the integration of the acquired territories and personnel into the Customer Service Center in Jacksonville.

The Transition Process

The Information Technology cut-over occurred as planned over the weekend of May 31 – June 1, during which time the CSX and Conrail TRIMS systems were linked and combined data was downloaded as appropriate. As planned, this included a testing period involving the individual terminals, and a re-ordering of the car location data as required.

During the system cut-over, a limited and predetermined number of trains ran to destination as planned. Predominantly, these were unit trains of coal and intermodal trains. Specified terminals continued switching using information provided prior to cut-over. NS and CSX ownership cars were moved toward their appropriate interchange points, as well. CSX believes that these steps helped keep those key terminals fluid, as well as providing for rapid transitional start-up once the linked systems were brought on line.

On June 1, all Customer Service Information Systems were on-line and operating.

Personnel

Classroom training in CSX systems and procedures was completed in time for cut-over. To provide further support to newly-trained customer service employees, 15 contract Specialist positions were awarded. These Traveling Specialists received orientation training, and are now in Pittsburgh, sitting with the positions they are assisting.

Non-contract Customer Service managers began providing 24 hour, 7 day coverage beginning at 06:00 May 31, 1999.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

Customer Service Status Report Continued

Customer Familiarization

Shipping guides providing essential information on doing business with CSX have been mailed to customers in the acquired areas. Similar guides, customized for the purpose, have been sent to customers in the Shared Areas.

Customers who will be "flash cut" to CSX reporting, rating, and billing systems have all been visited on a face-to-face basis by representatives from Customer Service, Operations, and Marketing working together. The standard brochure has been personalized for each of these customers, with special telephone numbers and other vital data attached. The special brochures include such items as car ordering procedures, rate changes, bill of lading submission procedures, and new Customer Service representatives.

Customer communication will continue to include news releases, blast faxes, mailings, and regular interaction with our Electronic Commerce personnel.

CSXT has continued to emphasize the importance of providing correct bill of lading routing instructions. Beginning June 1, customers must not submit shipping instructions showing "Conrail" or "CR". Beginning June 1, Rail Industry computer systems will not recognize "Conrail" as a valid route and such misbills will go into error condition. CSXT had a large number of additional staff on duty to manually correct mis-bills over the first several weeks. While a considerable number of mis-bills and no-bills were received early in June, overall customer response to the need to eliminate "Conrail" from billing instructions was very good.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

STB Status Submission Report on Training

Clerical Employees

Field Clerical training is complete at all locations. Field coaches during Day One transition are providing support for clerks as needed. The 24-hour hot line also provides telephone support.

Train & Engine Service Employees

Training sessions neared completion for Train and Engine crews as Day One approached. T&E coaches were distributed throughout the system on May 31 and have remained in place to assist train crews at their on and off duty locations. Coaches are providing On-the-Job-Training to T&E crews as needed.

Field Transportation Supervisors

Day One Terminal Operations training is complete. The Day One Implementation Team continues to provide support in the field for all supervisors. Trainmasters and Yardmasters continue to be provided On-the-Job-Coaching during the transition.

Customer Service

All scheduled Customer Service training classes are complete. Also, Basic Systems training for Waybillers and Shared Assets employees is complete. The training staff is currently providing around the clock support to the NCSC customer service representatives and management.

Engineering

Transition training for CR Maintenance of Way, Train Control, and Communications employees is complete. Teams of trainers made their final moves about the acquired property, conducting multiple sessions at five locations to provide orientations to any remaining contract employees during the first week of June.

Scheduling/Hot Line

The Scheduling Office continues to provide support by assisting with the Training Hot Line. Beginning May 31 and continuing through the first weeks of June, the Hot Line has provided 24-hour telephone support for the field coaches. Assistance includes providing training materials and assisting with questions or issues as needed.

Crew Management

Orientation and safety training for acquired Crew dispatcher and Train dispatchers has been completed. Coaches will be provided to assist Train Dispatchers on-the-job at split date.

STB OPERATIONAL MONITORING REPORT

As of June 30, 1999

STB Status Submission Report on Training Continued

Dispatching

Orientation and safety training for acquired Crew dispatcher and Train dispatchers has been completed. Coaches are providing assistance to Train Dispatchers on-the-job at split date.

Intermodal

Training for all Intermodal employees has been completed.

Norfolk Southern Corporation STB Operational Monitoring Report

As of June 30, 1999

Reporting Requirement	Page
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Note: Bold print indicates changes from previous report.

* To be disclosed under a different cover or in a later report.

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

LABOR

Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached. This concludes our reporting requirement, as provided in Paragraphs 1 and 14, on pages 162 and 165, respectively, of STB Decision No. 89 issued in Finance Docket No. 33388.

Labor Organization	Status
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers	Implementing Agreement reached.
United Railway Supervisors Association – on Behalf of claim agents	Implementing Agreement reached.
United Railway Supervisors Association – on behalf of engineering supervisors	Implementing Agreement reached.
United Railway Supervisors Association – on Behalf of the mechanical department supervisors for the Conrail properties operated by NS	Implementing Agreement reached.
National Conference of Firemen & Oilers	Implementing Agreement reached.
American Railway and Airway Supervisors Association, Division of TCU, representing Bridge inspectors	Implementing Agreement reached.
Fraternal Order of Police	Implementing Agreement reached.
International Brotherhood of Electrical Workers	Implementing Agreement reached.
Sheet Metal Workers' International Association	Implementing Agreement reached.
American Train Dispatchers Department, Brotherhood of Locomotive Engineers	Implementing Agreement reached.
International Association of Machinists and Aerospace Workers	Implementing Agreement reached.
Transportation•Communications International Union	Implementing Agreement reached.
United Transportation Union	Implementing Agreement reached.
Brotherhood of Railroad Signalmen	Implementing Agreement reached.
United Transportation Union – Yardmasters Department	Implementing Agreement reached.
Brotherhood of Locomotive Engineers	Implementing Agreement reached.
Brotherhood Railway Carmen – Div. TCU and Transport Workers Union of America	Implementing Agreement reached.
Brotherhood of Maintenance and Way Employes	Implementing Agreement reached.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

LABOR

Labor-Management Task Forces

Norfolk Southern and the United Transportation Union (UTU) have an ongoing Labor Management Task Force consisting of NS's Vice President - Labor Relations and the President of the UTU. The Task Force encourages frequent communications between upper-level management of the two organizations and has worked well to facilitate an implementing agreement and to assure prompt consideration of implementation and safety issues related to the Conrail transaction.

As of the end of the reporting period, NS has invited organizations with which an implementing agreement has been finalized (and which will continue to represent employees) to form Labor Management Task Forces. Similar to the UTU Task Force, each Task Force will enable upper-level management of NS and the particular labor organization to review issues and concerns about implementation of the Conrail transaction with preservation of the highest levels of safety. Invitations have been sent to: the Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; National Conference of Firemen & Oilers; American Train Dispatchers Department of the Brotherhood of Locomotive Engineers; International Brotherhood of Electrical Workers; Sheet Metal Workers International Association; the Transportation Communications International Union; the Association of Machinists and Aerospace Workers; and the Brotherhood of Railroad Signalmen. Each Task Force will be unique to each labor organization, and will involve operations, safety and labor relations staff as appropriate and the craft General Chairmen representing NS and Conrail employees.

A task force meeting with the American Train Dispatchers Department was held on November 17, 1998, at which ongoing training and qualifications procedures were reviewed. A task force meeting with the Brotherhood of Railroad Signalmen was held on February 18, 1999.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Alexandria	IN	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
			Const	Complete	
Allentown - Reading	PA	Traffic Control System	Signal	Design	In progress
	PA	Estimated Completion Date: 4Q99		Const	
Angola	NY	Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
			Const	Complete	
Ashtabua	OH	Construct connection track Estimated Completion Date: 3Q99	Track	Const	In progress
Attica	IN	Extend siding 4,580 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
			Const	Complete	
Boundbrook	NJ	Extend siding 15,000 track feet Estimated Completion Date: 1Q00	Track	Design	Project being defined.
				Grading	
				Const	
			Signal	Design	
				Const	
Bristol	VA	Extend siding 14,255 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
			Const	Complete	
Bucyrus	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Buffalo - Cleveland	NY	Traffic control system and remove pole line.	Signal	Design	Complete
	OH	Estimated Completion Date: Complete		Const	Complete
Buffalo	NY	Rehabilitate tracks in sub-leased BPRR yard Estimated Completion Date: 3Q99	Track	Const	In progress

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Butler	IN	Construct track connection Estimated Completion Date: 4Q99	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Chicago	IL	Expand and improve 47th St Yard Intermodal Terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	In progress
Cloggsville	OH	Track Rehabilitation Estimated Completion Date: Complete	Track	Design Const	Complete Complete
Cloggsville	OH	Construct second main Estimated Completion Date: 2Q00	Track	Design Grading Const	Complete In progress In progress
			Bridge	Design Const	Complete
			Signal	Design Const	In progress
Columbus	OH	Construct track connection Estimated Completion Date: Complete	Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Crockett	VA	Construct 9,100 foot new siding Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Croxton	NJ	Expand and improve intermodal terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	Complete In progress
E-Rail	NJ	Expand and improve intermodal terminal Estimated Completion Date: 3Q99	Track	Design Grade/Pave	In progress
Erie	PA	Erie Track Realign Project Estimated Completion Date: 2Q00	Track	Design Grading Const	In progress
			Signal	Design Const	In progress
Flemington	NJ	Construct 12,500 foot siding Estimated Completion Date: 1Q00	Track	Design Grading Const	Project being defined.
			Signal	Design Const	

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Hadley Jct (Ft Wayne)	IN	Double tracking Estimated Completion Date: 4Q99	Track	Design	Project being defined.
			Signal	Grading Const Design Const	
Hagerstown Sec (Greencastle)	PA	Construct siding Estimated Completion Date: Complete	Track	Design	Complete
			Signal	Grading Const Design Const	Complete Complete Complete Complete
Hagerstown Sec	PA	Traffic Control Estimated Completion Date: 4Q99	Signal	Design Const	In progress
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: 2Q00	Track	Design	In progress
				Grade/Pave	In progress
Harrisburg - Reading	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q99	Signal	Design	In progress
	PA		Const	In progress	
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: 3Q99	Track	Design	Complete
	KY		Grading Const	Complete In progress	
			Signal	Design Const	Complete In progress
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design	Complete
	TN		Const	Complete	
			Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading Const	Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading Const	Complete Complete
			Signal	Design Const	Complete Complete
Pattensburg	NJ	Clearance-9 Bridges Estimated Completion Date: Complete	Bridge	Design Const	Complete Complete
Pattensburg	NJ	Siding Extensions Estimated Completion Date: Complete	Track	Design	Complete
				Grading Const	Complete Complete
			Signal	Design Const	Complete Complete
Pattensburg	NJ	Tunnel Clearance Estimated Completion Date: 3Q99	Bridge	Design Const	Complete In progress

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Philadelphia	PA	Construct crossover - Zoo Estimated Completion Date: 4Q99	Track	Design Grading Const	Project being defined.
			Signal	Design Const	
Piney Flats	TN	Extend siding 6,610 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete
			Signal	Design Const	Complete
Port Reading	NJ	Chemical Coast Clearance Projects Estimated Completion Date: 4Q99	Track	Design Const	In progress
			Bridge	Design Const	In progress
Rader	TN	Extend siding 5,189 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete
Reading - Philadelphia	PA PA	Traffic Control System and remove pole line Estimated Completion Date: 2Q00	Signal	Design Const	In progress
Riverton Jct - Roanoke	VA VA	Clearance projects Estimated Completion Date: Complete	Bridge	Design Const	Complete
Sandusky (Bellevue)	OH	Construct Triple Crown Terminal Estimated Completion Date: Complete	Track	Design Grade/Pave Const	Complete
			Building	Const	Complete
Sidney	IL	Construct track connection Estimated Completion Date: Complete	Track	Design Grading Const	Complete
			Signal	Design Const	Complete
Sido	MO	Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete
Sloan	IL	Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete
			Signal	Design Const	Complete

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Southern Tier	NY	Southern Tier Rehabilitation	Track	Const	Project being defined.
		Estimated Completion Date: 4Q99	Bridge	Design Const	In progress
St. Louis (Mitchell)	MO	Expand Mitchell Triples Crown Terminal	Track	Design	Complete
		Estimated Completion Date: 4Q99	Signal	Grade/Pave Design Const	In progress
Toledo	OH	Intermodal Terminal	Track	Design	Project being defined.
		Estimated Completion Date: 4Q99		Grade/Pave	
Tolono	IL	Track Connection	Track	Design	Complete
		Estimated Completion Date: 3Q99		Grading	Complete
				Const	Complete
			Signal	Design Const	Complete In progress
Vermillion	OH	Track Connection	Land		Complete
		Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
		Signal	Design Const	Complete Complete	
Wabash	IN	Construct connection track	Track	Const	In progress
		Estimated Completion Date: 3Q99	Signal	Design Const	

Note: Bold print indicates changes from previous report. If status of project phase is blank, work on that part of the project has not yet begun.

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

INFORMATION TECHNOLOGY

Systems and Personnel Training

Operating Area	Project	Status
TRANSPORTATION		
Car Management and Movement	Systems – Multiple projects	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
Includes Thoroughbred Yard Enterprise System (TYES) and Central Yard Operations (CYO) System	Personnel Training	
	Prepare training materials for TYES and CYO	Complete
	Trainer orientation	Complete
	TYES training at Conrail locations	In progress
Train Dispatching	Systems	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
Locomotive Management	Personnel Training	
	Prepare computer-based training materials for Norfolk Southern Train Information System (TIS) and Train System Accident Reporting System (TSAR).	Complete
	Train Conrail employees at Dearborn, Pittsburgh, and Mt. Laurel	Estimated beginning date: 3Q99
	Systems	Implementation Complete.
Locomotive Management	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train employees at 8 Conrail locations	Complete

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Project	Status
OPERATIONS PERSONNEL		
Crew Management	Systems	Implementation Complete. Continue to monitor functionality of systems and make program adjustments where necessary.
	Personnel Training	
	Prepare training materials	Complete
Train and Engine (T&E) Payroll	Train Conrail employees	Complete
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
Non-Train and Engine Payroll	Train T&E crews	Estimated completion date: 3Q99
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Estimated completion date: 3Q99
	<hr/>	
CUSTOMER SERVICE		
Electronic Customer Connectivity	Systems	Complete
	Personnel Training	
	Testing new systems	Complete
National Customer Service Center	Customer Coordination	
	Information to be distributed to customers	Complete
	Personnel Training	
	Prepare training materials	Complete
	Train employees in Pittsburgh and Atlanta	Estimated completion date: 3Q99

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of June 30, 1999

CUSTOMER SERVICE

Transition Process

Transition team members for NS have been selected and confirmed to work in Philadelphia in Customer Service for an undetermined period of time after Split Date. Space has been defined and equipment will be set up in the near future for this group to operate from. **Additional phone lines have been added to our toll-free number to enable us to handle larger volumes of calls. The phone trace system, which is an automated feature of our toll-free line that allows a customer to trace the location of its cars by keying in car numbers on the telephone key pad, is working as expected.**

Personnel

A transition team for Customer Service has been organized, staff selected, and will be functional after Split Date, in quarters located in Philadelphia, for an undetermined period of time. Additional training stations have been set up at three locations – Conway Yard (Pittsburgh), Elkhart, Indiana, and Columbus, Ohio – for training personnel involved in implementing new data systems on NS portions of Conrail. We have consummated a contract with an outside firm to supply 50 additional trainers, beginning November 30th, to assist in systems rollout. Supervisory positions have now all been filled for Data Quality and the Agency Operations Center. **All of the positions in Customer Service have been filled. New personnel are trained as they come into the Centers.**

Customer Awareness

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to make numerous meetings and presentations in order to keep our customers informed.

The Customer Resource Guide has been completed and is **being distributed to our customers through our Sales Department.** This guide will provide customers with all resources and information necessary for doing business with the new NS.

The Help Desk Directory **was completed and sent to our customers prior to Split Date.** This guide to services and benefits will list key phone numbers that will connect users to areas that may assist them in answering questions about NS. It will be available in three formats: a pocket guide for employees, a list for customers and an expanded version available for downloading from the internet.

Note: Bold print indicates changes from previous report.

STB

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7-8-99

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SURFACE TRANSPORTATION BOARD

Memorandum

194952

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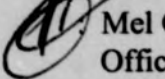
DATE: July 8, 1999

ENTERED
Office of the Secretary

JUL 08 1999

Part of
Public Record

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  Mel Clemens, Director
Office of Compliance and Enforcement



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

July 7, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
U.S. Department of Transportation
The Mercury Building
1925 K Street, N.W., Suite 500
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, July 2.

We continued our strong safety track for the month of June. Compared with the same period last year, we finished the month with a 10% improvement in personal injuries and flat performance on FRA-reportable train accidents on the expanded system.

June was very much a learning, transition month. We began integrating not only two railroad cultures but diverse geographic areas. The Shared Assets Areas began operating, the first time such an endeavor has been undertaken in the rail industry. We implemented our very detailed operating plan and made an unprecedented and very satisfactory cut-over in our technology systems. We learned, as anticipated, that we needed to adopt some directional changes in our operating plan. Together with our labor partners, we sought ways to improve the fluidity of our terminals, like in Cleveland, where operations have improved over the past few weeks. Avon Yard in Indianapolis was another location needing attention, and we are gratified to see Avon's numbers beginning to show improvement. We've directed our focus to Selkirk and anticipate those efforts will soon be reflected in the numbers. We also have deployed a team to Toledo to develop a combined terminal plan for Walbridge and Stanley that will optimize Toledo's efficiency.

Total cars on line saw a moderate increase from week to week. For the week ending July 2, total cars on line increased 1% over the prior week, 2,552 cars. This increase is primarily the function of two factors: increased carloadings and slower than planned velocity. Much of our effort is being dedicated to improving our line-of-road velocity.

This week's reports again showed little deviation in either direction as compared to the prior week. We did not experience the rate of improvement that we had hoped to see. Although there is a combination of causes, our overall performance was affected primarily by lower than normal crew availability during the holiday and vacation period, which we anticipate will be reflected in next week's measures as well.

Performance information for the three new measures requested by the Surface Transportation Board has been posted on our web site. Obviously, our goal for train delays and blocked sidings/multiple main lines is zero, but it is important to realize that these conditions occur even on the best operational days. We are watching these activities very closely and are striving to reach that goal. The numbers reflected here, while not to our standards, are not outside the limit of reasonableness and do not indicate a need for major adjustment.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 07/2/99

Yard Performance

(Composite of NS/CSX Traffic)

Location	Measure	Monday 6/28/99	Tuesday 6/29/99	Wednesday 6/30/99	Thursday 7/1/99	Friday 7/2/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	612	867	936	859	833
	Cars On Hand - Empty	472	776	777	679	737
	Cars On Hand - Total	1084	1643	1713	1538	1570
	Cars Handled	520	438	N/A	N/A	381
	Dwell Hours	70.0	47.8	N/A	N/A	28.9
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	175	238	245	296	240
	Cars On Hand - Empty	170	250	267	371	278
	Cars On Hand - Total	345	488	512	667	518
	Cars Handled	287	237	N/A	N/A	242
	Dwell Hours	53.2	34.2	N/A	N/A	37.3
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	232	260	325	308	365
	Cars On Hand - Empty	146	176	181	145	144
	Cars On Hand - Total	378	436	506	453	509
	Cars Handled	195	66	N/A	N/A	117
	Dwell Hours	38.7	32.9	N/A	N/A	28.4

CSX Comments: Cars Handled and Dwell Hour measurements are unavailable for Wednesday, 6/30/99, and Thursday, 7/1/99, due to anomalies in Conrail's Operations Performance Measurement System. Data for the other three days may be incomplete. Daily on hand car counts increased at Oak Island but decreased at Pavonia and North Yard. Conrail terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of car status. Overall terminal dwell which could be measured improved from the prior week at Oak Island, Pavonia, and North Yard.

Surface Transportation Board

Performance Measures

For the week ending: 07/2/99

Train Originations

(Composite of NS/CSX Traffic)

Location	Measure	Monday 6/28/99	Tuesday 6/29/99	Wednesday 6/30/99	Thursday 7/1/99	Friday 7/2/99
North Jersey SAA	Number of Originations	7	17	9	8	10
	% Ontime	14%	18%	0%	25%	0%
	% Late 0-2 Hours	29%	24%	44%	13%	20%
	% Late 2-4 Hours	14%	29%	22%	38%	60%
	% Late 4-6 Hours	14%	6%	0%	0%	10%
	% Late GT 6 Hours	29%	24%	33%	25%	10%
South Jersey SAA	Number of Originations	2	2	0	1	2
	% Ontime	0%	0%	0%	100%	0%
	% Late 0-2 Hours	0%	50%	0%	0%	100%
	% Late 2-4 Hours	50%	50%	0%	0%	0%
	% Late 4-6 Hours	0%	0%	0%	0%	0%
	% Late GT 6 Hours	50%	0%	0%	0%	0%
Detroit SAA	Number of Originations	4	5	7	3	6
	% Ontime	0%	20%	14%	67%	0%
	% Late 0-2 Hours	50%	20%	0%	0%	0%
	% Late 2-4 Hours	0%	40%	57%	0%	0%
	% Late 4-6 Hours	0%	0%	14%	0%	17%
	% Late GT 6 Hours	50%	20%	14%	33%	83%

CSX Comments: Road train originations continued to be affected by resource constraints including crew and power availability.

Surface Transportation Board

Performance Measures

For the week ending: 07/2/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	6/28/99	6/29/99	6/30/99	7/1/99	7/2/99	Average
Cars Offered	NS	574	419	174	173	218	311
	All Other	10	0	0	0	0	2
	Total	584	419	174	173	218	313

CSXT Train Delay

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Cause of Delay	6/28/99	6/29/99	6/30/99	7/1/99	7/2/99	Total
Train Delay	Crew	2	1	1	0	4	8
	Power	2	6	2	0	0	10
	Congestion/Staging	1	2	4	6	2	15
	Total	5	9	7	6	6	33

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	6/28/99	6/29/99	6/30/99	7/1/99	7/2/99	Total
Blocked	Sidings	2	2	3	3	2	12
	Multiple Main Lines	0	0	1	3	3	7
	Total	2	2	4	6	5	19

NORFOLK SOUTHERN

George A. Aspatore
General Solicitor

(757) 629-2657
(757) 533-4872
E-mail gaaspato@nscorp.com

July 7, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending July 2, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas and confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two additional schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. As always, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations.

Finally, in response to your letter dated June 25, 1999, I have included a schedule which provides the following three metrics: NS Cars Offered in Interchange but not Accepted, NS Train Delays, and NS Blocked Sidings and Multiple Main Lines. As you requested, each of these sections provides a daily snapshot of our operations in the Northern Region. If you have any questions or need additional information, please call me.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

NORFOLK SOUTHERN

July 7, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

After two weeks of progress, our operations remain stable in Norfolk Southern's new Northern Region. We believe the stage has been set for significant improvements during July and continuing into August. July includes a two week period during which many miners are on holiday and several auto assembly plants cease operations in order to prepare for the new model year. We have kept our yards fluid and will continue to improve productivity through this downturn period.

Recent measures indicate that our system is responding positively to the actions that we have taken, which I described in my prior weekly letters. For example, the number of cars-on-line has decreased significantly. On Sunday, July 4, the number of cars-on-line declined by 271. On Monday, the number declined by 973. Yesterday, the number of cars-on-line declined by 2,220 – bringing the total decline for the three days to 3,564. This is a normal trend, but this total is almost ten times greater than the comparable results for the same period last week.

We fully intend to continue to improve our close association with labor. Any railroad faces the challenge to field sufficient crews during the summer vacation months. During this transition period, NS particularly must continue to receive the extraordinary support of labor. To reach that end, we have taken two steps. First, we have worked closely with the general and local chairmen of our unions and they have encouraged their respective constituencies to support our operations during this transition time.

Second, we implemented an incentive plan for all NS agreement employees working throughout the system. NS began offering, and will continue to offer, incentives to crews and others that remain available for duty for an entire two-week period. These employees will be eligible for a payment of \$600 for each two-week

Mr. Melvin F. Clemens, Jr.
July 7, 1999
Page 2

period during which they stay "marked-up." We expect to see the effects of this action over the course of the next few weeks.

Major classification yards in the Northern Region improved slightly; while those yards on the former NS lines – Eastern and Western Regions – declined slightly. Early in June and at NS's request, UP rerouted interchange traffic from the Salem, IL gateway to the Memphis, TN gateway in order to provide relief to Northern Region classification yards. This put an additional burden on other NS classification yards, including Sheffield, AL, Chattanooga, TN, Linwood, NC, and Roanoke, VA. At the end of last week, the traffic that had been shifted from Salem to Memphis was routed back to Salem. That will allow us to return to normal operations at other NS yards.

Terminal dwell times at our major terminals crucial to smooth Northern Region operations – Allentown, PA, Bellevue, OH, Conway, PA, and Elkhart, IN – all showed improvement. Of the other terminals, Cincinnati, OH, Columbus - Buckeye, OH, and Decatur, IL, posted slight increases in terminal dwell. Harrisburg, PA and Toledo - Airline, OH reported slight decreases in terminal dwell. For the monitored corridors and Chicago gateway operations, above average terminal delays due to congestion continue to represent the single largest contributor to train delays, which directly affects our on-time train performance measures. Last week, approximately 129 trains were held for this reason. Crew delays accounted for 63 trains being delayed, and power delays accounted for 29 trains being delayed.

NS and CSX both continue to face and address service issues in the Shared Assets Areas. Daily on-hand car counts increased at Oak Island, but remained steady at Pavonia and North Yard, which remained below the prior week's peak level. Increases were attributable to adjustments in inbound blocking patterns and an influx of traffic from the parent roads, as well as continuing shortages of crews for road trains. Terminal dwell time improved from the prior weeks at Oak Island and Pavonia.

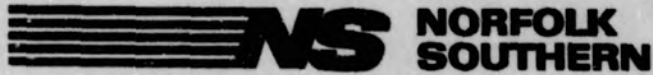
In the SAAs, crew shortages caused 40 trains to be delayed. Reported power delays caused 11 trains to be held. Finally, relieving outlawed trains caused 16 trains to be held. Together, these causes account for about 70% of the train delay hours in the SAAs.

Mr. Melvin F. Clemens, Jr.
July 7, 1999
Page 3

It is important to our success that we continue to improve our operations over the approaching two weeks. We are starting to see the benefit of the actions that we have taken, which I described in my prior weekly letters, and we anticipate additional progress in July and August.

Sincerely,

Jon L. Manetta



NS Cars Offered in Interchange but not Accepted

offered	Monday 28-Jun	Tuesday 29-Jun	Wednesday 30-Jun	Thursday 1-Jul	Friday 2-Jul	daily average
CSX	518	190	120	373	489	338
other	83	0	64	0	0	29
Total	601	190	184	373	489	367

Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only

NS Train Delays

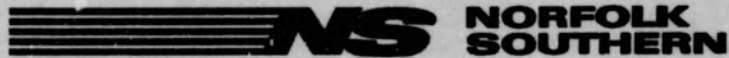
cause	Monday 28-Jun	Tuesday 29-Jun	Wednesday 30-Jun	Thursday 1-Jul	Friday 2-Jul	total
crew	51	35	25	26	50	187
power	1	0	7	6	5	19
yard congestion	2	0	1	4	1	8
Grand Total	54	35	33	36	56	214

Snapshot taken between 2:00 and 3:00 each day
Include trains in yards and on line of road on acquired territory

NS Blocked Sidings and Multiple Main Lines

track	Monday 28-Jun	Tuesday 29-Jun	Wednesday 30-Jun	Thursday 1-Jul	Friday 2-Jul	total
Multiple Mains	10	4	3	4	7	28
Siding	26	19	17	19	28	109
Total	36	23	20	23	35	137

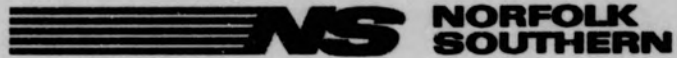
Snapshot taken between 2:00 and 3:00 each day
NS acquired territory only



For the week ending 7/2/99

Shared Asset Train Origination Performance

location	date	Trains	on time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	28-Jun	4	0%	50%	0%	0%	50%
	29-Jun	5	20%	20%	40%	0%	20%
	30-Jun	7	14%	0%	57%		
	1-Jul	3	67%	0%	0%		
	2-Jul	6	0%	0%	0%	17%	83%
Detroit Total		25	16%	12%	24%	8%	40%
North Jersey	28-Jun	7	14%	29%	14%	14%	29%
	29-Jun	17	18%	24%	29%	6%	24%
	30-Jun	9	0%	44%	22%		
	1-Jul	8	25%	13%	38%		
	2-Jul	10	0%	20%	60%	10%	10%
North Jersey Total		51	12%	25%	33%	6%	24%
South Jersey	28-Jun	2	0%	0%	50%	0%	50%
	29-Jun	2	0%	50%	50%	0%	0%
	30-Jun	0					
	1-Jul	1	100%	0%	0%		
	2-Jul	2	0%	100%	0%	0%	0%
South Jersey Total		7	13%	38%	25%	0%	13%
Grand Total		83	13%	23%	30%	6%	27%



For the week ending 7/2/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	6/28/99	850	146	232	378	195	38.7
	6/29/99	850	176	260	436	66	32.9
	6/30/99	850	181	325	506		
	7/1/99	850	145	308	453		
	7/2/99	850	144	265	409	117	28.4
North Yard MI Average		850	158	278	436	126	34.5
Oak Island NJ	6/28/99	1200	472	612	1084	520	70.0
	6/29/99	1200	776	867	1643	438	47.8
	6/30/99	1200	777	936	1713		
	7/1/99	1200	679	859	1538		
	7/2/99	1200	737	833	1570	381	28.9
Oak Island NJ Average		1200	688	821	1510	446	51.1
Pavonia NJ	6/28/99	900	170	175	345	287	53.2
	6/29/99	900	250	238	488	237	34.3
	6/30/99	900	267	245	512		
	7/1/99	900	371	296	667		
	7/2/99	900	278	240	518	242	37.3
Pavonia Average		900	267	239	506	255	42.3

No dwell or cars handled data for 6/29 and 6/30 due to SAA measurement data system problems

STB

FD

33388

7-1-99

D

194909

SURFACE TRANSPORTATION BOARD


Memorandum

194909



DATE: July 1, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

ENTERED
Office of the Secretary

JUL - 1 1999

Part of
Public Record



SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



500 Water Street (J300)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

June 30, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
U.S. Department of Transportation
The Mercury Building
1925 K Street, N.W., Suite 500
Washington, DC 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, June 25.

Last week marked our fourth week engaged in the integration process. We continue to see daily incremental improvements in service throughout our system, recognizing that we still have a lot of hard work ahead of us to meet our customers' – and our own – service expectations.

Our safety performance continues to be strong through 28 days in June. We are still tracking ahead of last year's performance on the expanded system for personal injuries. FRA-reportable train accidents are flat compared to last year.

We continue to closely monitor total cars on line since it is a key measure of how well the fluidity of our system is being managed. For the week ending June 25, total cars on line increased slightly over the prior week, 1,385, less than 1%. Looking at our performance over this four week period, total cars on line have increased 3,447 cars, 1.4% since June 4.

This week's reports showed no significant trends in either direction as compared to the prior week. We are seeing evidence, however, that some of the operating changes we have implemented over the last week are having a positive impact that we anticipate should be reflected in next week's reports. For example, the operating refinements we adopted at Avon have resulted in a decrease in the volume of cars in that terminal. At Selkirk, the changes we made in the operating plan included by-passing Selkirk with certain traffic to be switched at other yards, primarily Buffalo and Toledo; and when operating and service parameters allow, rerouting traffic to other service lanes. Due to an increase in car volumes, CSXT also has established new train service from Oak Island to western carriers via Cumberland, Md.

Our greatest operating challenge in the near term will be to improve line-of-road velocity and the continual refinement of our terminal plans to improve service.

We have narrowed our outstanding data integrity issues to several involving primarily the Shared Assets Area. We initiated a tri-company team (CSX, Norfolk Southern and Conrail) that is reviewing the full range of procedural and IT solutions to bring this area within acceptable standards.

The first weeks of integration put significant demands on our employees, and we continue to be heartened by the strong efforts of our labor partners.

Looking ahead, we anticipate our service performance will be influenced by several factors:

- The weeks bracketing the Fourth of July holiday are traditionally the highest vacation period of the year for train crews, and this year is no exception.
- We are in the process of adding crew members on the Baltimore to north Jersey corridor to alleviate the shortages we have experienced over the last few weeks. We should see some positive service impact as a result.
- The shutdown of automotive plants for retooling and the coal miners' holiday should result in a drop in traffic volume during July that will enable us to further refine our operations and improve our service performance.

At the direction of the Surface Transportation Board, we began tracking this week three new measures: cars offered in interchange and not accepted; train delay incidents; and blocked sidings or multiple main lines. We will begin summarizing this information next Wednesday.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/25/99

Yard Performance

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	6/21/99	6/22/99	6/23/99	6/24/99	6/25/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	591	523	542	824	737
	Cars On Hand - Empty	691	630	661	755	648
	Cars On Hand - Total	1282	1153	1203	1579	1385
	Cars Handled	593	434	454	734	475
	Dwell Hours	87.0	42.0	38.0	79.0	62.0
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	301	485	419	285	250
	Cars On Hand - Empty	336	389	390	363	277
	Cars On Hand - Total	637	874	809	648	527
	Cars Handled	210	234	355	359	303
	Dwell Hours	72.0	71.0	49.0	55.0	35.0
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	265	323	381	403	432
	Cars On Hand - Empty	204	248	239	224	221
	Cars On Hand - Total	469	571	620	627	653
	Cars Handled	86	384	343	138	282
	Dwell Hours	45.0	32.0	26.0	26.0	51.0

CSX Comments: Daily on hand car counts increased marginally at Pavonia and North Yard but remained steady at Oak Island, which stayed below prior weeks peak level. Conrail terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of car status. Overall terminal dwell remained virtually unchanged from the prior week, with increases in the East due to continuing difficulty with outbound dispatchments due to crew availability while improvements were seen in North Yard.

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/25/99

Train Originations

Location	Measure	Monday 6/21/99	Tuesday 6/22/99	Wednesday 6/23/99	Thursday 6/24/99	Friday 6/25/99
North Jersey SAA	Number of Originations	4	8	7	7	8
	% Ontime	50%	38%	29%	57%	25%
	% Late 0-2 Hours	0%	0%	29%	0%	13%
	% Late 2-4 Hours	0%	38%	0%	0%	13%
	% Late 4-6 Hours	0%	13%	14%	0%	25%
	% Late GT 6 Hours	50%	13%	29%	43%	25%
South Jersey SAA	Number of Originations	2	2	4	4	3
	% Ontime	0%	0%	0%	0%	33%
	% Late 0-2 Hours	50%	50%	0%	25%	0%
	% Late 2-4 Hours	0%	0%	0%	25%	33%
	% Late 4-6 Hours	50%	50%	25%	25%	0%
	% Late GT 6 Hours	0%	0%	75%	25%	33%
Detroit SAA	Number of Originations	4	7	6	6	5
	% Ontime	50%	57%	50%	33%	60%
	% Late 0-2 Hours	50%	29%	17%	17%	20%
	% Late 2-4 Hours	0%	0%	17%	17%	0%
	% Late 4-6 Hours	0%	0%	17%	17%	0%
	% Late GT 6 Hours	0%	14%	0%	0%	20%

CSX Comments: Last week 32% of originations were greater than 6 hours late. This week 22% were greater than 6 hours late. A 31% improvement. Road train originations continued to be affected by resource constraints. 21 trains were delayed a total of 132 hours for crews. Reported power delays reduced considerably.

NORFOLK SOUTHERN

George A. Aspatore
General Solicitor

(757) 629-2657
(757) 533-4872
E-mail gaaspato@nscorp.com

June 30, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending June 25, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas and confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations, Corridor Train Performance and Yard Performance. In an effort to provide you with more detailed information regarding delays, I have included two additional schedules supporting NS's Chicago Gateway and Corridor Train Performance reports, which identify the number and total time for delays due to crew, power, or other issues. Finally, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

NORFOLK SOUTHERN

June 30, 1999

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

We continue to improve operations in Norfolk Southern's new Northern Region and throughout our system. The good news is that our efforts seem to have stabilized our overall operating indicators. As the numbers in the attached reports show, we posted modest improvement over last week's measures in certain areas, slight declines in others, and static performance in others. These varied results can be attributed partially to improving data reporting. Improvement in our information systems and processes has allowed us to have more traffic reported and better timing of data flows, which has resulted in better train visibility for us and our customers. This ultimately should improve our level of service.

We continue to employ additional resources to address the congestion problems that exist on the Northern Region. One primary focus has been continued expansion in the use of the facilities of other carriers. In addition to the carriers discussed in my June 23rd letter, NS has enlisted the aid of the Ann Arbor, the Indiana and Ohio, the New York Susquehanna and Western, and the South Buffalo. We anticipate that the benefits of these alliances will manifest themselves in shorter terminal dwell time and better on-time train performance in the Northern Region.

Another focus has been the increased human resources deployed in the Northern Region. More than 30 train and engine employees from elsewhere on the NS system volunteered for temporary reassignment to the Northern Region. This number includes employees from the Pocahontas Division and the Norfolk Terminal, both of which have suffered from a major downturn in export coal traffic. Sixteen retired Conrail train and engine employees have been temporarily employed on their former territories. Finally, in addition to hiring additional NS train and engine employees, we are attempting to hire surplus train and engine employees from the other Class I carriers to work on NS's Northern Region.

Mr. Melvin F. Clemens, Jr.
June 30, 1999
Page 2

All of the personnel assignments described above are temporary. They will permit us to: 1) address slower train velocity issues; 2) accommodate the summer vacation schedules created on Conrail before June 1st; and 3) expedite movement of cars off-line. These three factors have stretched our normal personnel resources beyond capacity for the short term.

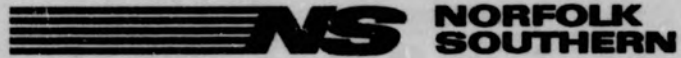
Performance at terminals in the Northern Region continues to affect our service quality. At the terminals most affected by the transition, terminal dwell increased slightly at Allentown and Bellevue, but decreased at Conway and Elkhart. Terminal dwell time for the remaining terminals was mixed. For the monitored corridors and Chicago gateway operations, above average terminal delays due to congestion continue to represent the single largest contributor to train delays, which directly affects our on-time train performance measures. Last week, approximately 136 trains were held for this reason. Crew delays accounted for 86 trains being delayed, and power delays accounted for 34 trains being delayed. Finally, other factors, such as train meets and track work, caused 363 trains to be delayed.

NS and CSX both continue to face and address service issues in the Shared Assets Areas. Terminal dwell remained virtually unchanged from the prior week – increased terminal dwell times in the North Jersey and South Jersey/Philadelphia SAAs, which were due to continuing outbound delays, were offset by decreased terminal dwell times in Detroit. Twenty-one trains in the SAAs were delayed due to crews related issues, and an insignificant number of SAA trains were delayed for power.

In summary, the attached metrics confirm that our system is stabilizing. However, our system has not stabilized to the point that it is impervious to industry trends, such as crew availability during the Independence Day weekend. We can only continue to anticipate and plan for any setbacks that might occur. I feel confident that we will continue to show improvement as we proceed.

Sincerely,

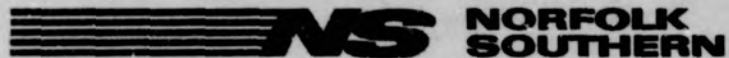
Jon L. Manetta



For the week ending 6/25/99

Shared Asset Area - Yard Performance

Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	6/21/99	850	204	265	469	86	45.0
	6/22/99	850	248	323	571	384	32.0
	6/23/99	850	239	381	620	343	26.0
	6/24/99	850	224	403	627	138	26.0
	6/25/99	850	221	432	653	282	51.0
North Yard MI Average		850	227	361	588	247	34.9
Oak Island NJ	6/21/99	1200	691	591	1282	593	87.0
	6/22/99	1200	630	523	1153	434	42.0
	6/23/99	1200	661	542	1203	454	38.0
	6/24/99	1200	755	824	1579	734	79.0
	6/25/99	1200	648	737	1385	475	62.0
Oak Island NJ Average		1200	677	643	1320	538	64.9
Pavonia NJ	6/21/99	900	336	301	637	210	72.0
	6/22/99	900	389	485	874	234	71.0
	6/23/99	900	390	419	809	355	49.0
	6/24/99	900	363	285	648	359	55.0
	6/25/99	900	277	250	527	303	35.0
Pavonia Average		900	351	348	699	292	54.4



For the week ending 6/25/99

Shared Asset Train Origination Performance

location	date	Trains	on time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	21-Jun	4	50%	50%	0%	0%	0%
	22-Jun	7	57%	29%	0%	0%	14%
	23-Jun	6	50%	17%	17%	17%	0%
	24-Jun	6	33%	17%	17%	17%	17%
	25-Jun	5	60%	20%	0%	0%	20%
Detroit Total		28	50%	25%	7%	7%	11%
North Jersey	21-Jun	4	50%	0%	0%	0%	50%
	22-Jun	8	38%	0%	38%	13%	13%
	23-Jun	7	29%	29%	0%	14%	29%
	24-Jun	7	57%	0%	0%	0%	43%
	25-Jun	8	25%	13%	13%	25%	25%
North Jersey Total		34	38%	9%	12%	12%	29%
South Jersey	21-Jun	2	0%	50%	0%	50%	0%
	22-Jun	2	0%	50%	0%	50%	0%
	23-Jun	4	0%	0%	0%	25%	75%
	24-Jun	4	0%	25%	25%	25%	25%
	25-Jun	3	33%	0%	33%	0%	33%
South Jersey Total		15	7%	20%	13%	27%	33%
Grand Total		77	36%	17%	10%	13%	23%

STB

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6-24-99

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ARNOLD & PORTER

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LOS ANGELES
LONDON

MARY GABRIELLE SPRAGUE
(202) 942-5773

June 24, 1999

BY HAND DELIVERY - Original and 25 Copies

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
Mercury Building, Room 700
1925 K Street, N.W.
Washington, D.C. 20423



ENTERED
Office of the Secretary

JUN 24 1999

Part of
Public Record

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Re: Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreements -- Conrail Inc. and Consolidated Rail Corporation - Negotiated Agreement with Plymouth, Indiana

Dear Secretary Williams:

CSX Corporation and CSX Transportation, Inc. hereby submit a Negotiated Agreement with the City of Plymouth, Indiana pursuant to Environmental Condition 11 of Decision No. 89 (Appendix Q). This Negotiated Agreement effectuates the Board's preference for privately negotiated solutions stated in Decision No. 89 (slip op. at 153): "[To] give effect to privately negotiated solutions whenever possible, we clarify that negotiated agreements will remain available as an alternative to the local and site-specific mitigation imposed here (for example, specific grade crossing upgrade mitigation, real time monitoring for emergency response delay, or noise mitigation)." Environmental Condition 11 similarly provides that the specific terms of the condition may be superseded by a Negotiated Agreement with the responsible local government that satisfies that community's environmental concerns.

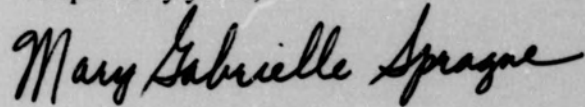
As stated in the enclosed Negotiated Agreement, the parties request that Environmental Condition 11 be amended by deleting Plymouth from the list of communities on the Warsaw, IN to Tolleston, IN line segment and that Environmental Condition 51 be amended by adding the Negotiated Agreement with the City of Plymouth, IN, dated June 16, 1999, to the list of Negotiated Agreements entered into by CSX.

ARNOLD & PORTER

Hon. Vernon A. Williams
June 24, 1999
Page 2

Thank you for your assistance in this matter. Please contact me (202-942-5773) if you have any questions about this submission.

Respectfully yours,

A handwritten signature in cursive script that reads "Mary Gabrielle Sprague".

Mary Gabrielle Sprague
Counsel for CSX Corporation and
CSX Transportation, Inc.

Enclosure

cc: Elaine K. Kaiser
Mayo Jack B. Greenlee, City of Plymouth



Stephen L. Watson
Regional Vice President - State Relations

320 Harrison Building
143 West Market Street
Indianapolis, IN 46204
(317) 267-3003
FAX (317) 267-3005

June 16, 1999

The Honorable Jack B. Greenlee
Mayor, City of Plymouth
124 N. Michigan Street
Plymouth, IN 46563

Re: Negotiated Agreement Relating to CSX/NS Acquisition of Conrail

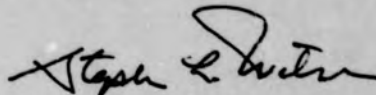
Dear Mayor Greenlee:

Thank you for the time you dedicated to the opportunities and environmental issues associated with CSX's proposed operations over the Warsaw to Tolleston line segment. CSX consulted with the City of Plymouth regarding the environmental effects identified by the Surface Transportation Board of increased train traffic, including wayside noise, through the City of Plymouth. The City of Plymouth and CSX have jointly developed this Negotiated Agreement to satisfy the City of Plymouth's environmental concerns. CSX will pay the City of Plymouth \$20,000.00. The City of Plymouth agrees to utilize the settlement amount in its sole discretion for the benefit of the citizens of the City of Plymouth, for appropriate public purposes including necessary noise mitigation.

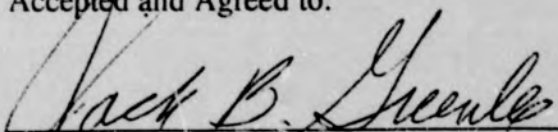
This Negotiated Agreement will be filed with the Surface Transportation Board to document satisfaction of Environmental Condition 11 with respect to the City of Plymouth, and is intended to supersede any other obligations under Environmental Condition 11. The parties jointly request the Board's approval by requesting that this Negotiated Agreement be incorporated into Environmental Condition 51 of Finance Docket No. 33388, Decision No. 89. This Negotiated Agreement will become effective upon an order of the Board accepting this Agreement.

Please countersign this letter to indicate your agreement.

Sincerely,


Stephen L. Watson

Accepted and Agreed to:


City of Plymouth, Indiana

Date:

6/17/99

STB

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6-18-99

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Office of the Secretary

JUN 23 1999

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Public Record

HOGAN & HARTSON
L.L.P.

ERIC VON SALZEN
PARTNER
DIRECT DIAL (202) 637-5718

June 19, 1999

COLUMBIA SQUARE
555 THIRTEENTH STREET, NW
WASHINGTON, DC 20004-1109
TEL (202) 637-5600
FAX (202) 637-5910

BY HAND DELIVERY

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
Case Control Branch
ATTN: STB Finance Docket No. 33388
Surface Transportation Board
1225 K Street, N.W.
Washington, DC 20423-0001



-194850
Re: **Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation**

-194851
Finance Docket No. 33388 (Sub No. 69), Responsive Application – State of New York, By and Through Its Department of Transportation, and The New York City Economic Development Corporation

Dear Secretary Williams:

Pursuant to the fourth ordering paragraph of Surface Transportation Board ("Board" or "STB") Decision No. 123, served May 20, 1999, modifying Decision No. 109, served December 18, 1998, Canadian Pacific Railway Company, Delaware and Hudson Railway Company, Inc., Soo Line Railroad Company, and St. Lawrence & Hudson Railway Company Limited (collectively "CP") hereby inform the Board that CP intends to exercise the rights granted by the Board in Decision No. 89, served July 23, 1998, and in Decisions Nos. 109 and 123.

Sincerely,

Eric Von Salzen
Attorney for Canadian Pacific Railway Company,
Delaware and Hudson Railway Company, Inc., Soo
Line Railroad Company, and St. Lawrence &
Hudson Railway Company Limited

EVS/cmd

cc: Counsel for Parties Required To Be Served

STB

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33388

6-16-99

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ARNOLD & PORTER

555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206

(202) 942-5000
FACSIMILE: (202) 942-5996

June 16, 1999

NEW YORK
DENVER
LOS ANGELES
LONDON



ENTERED
Office of the Secretary
DENNIS G. LYONS
(202) 942-5858

JUN 16 1999
Part of
Public Record

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
Mercury Building, Room 700
1925 K Street, N.W.
Washington, D.C. 20423

Re: Finance Docket No. 33388, CSX Corporation and CSX
Transportation, Inc., Norfolk Southern Corporation and
Norfolk Southern Railway Company -- Control and
Operating Leases/Agreements -- Conrail Inc. and
Consolidated Rail Corporation

Dear Secretary Williams:

Enclosed are an original and 25 copies of CSX/NS-219, "Confirmation of the Division of Consolidated Rail Corporation Pursuant to Ordering Paragraph No. 4, Decision No. 89, Served July 23, 1998," for filing in the above-referenced docket.

Please note that a 3.5-inch diskette containing a WordPerfect 5.1 formatted copy of the filing is also enclosed.

Kindly date stamp the enclosed additional copies of this letter and the enclosure at the time of filing and return them to our messenger.

Thank you for your assistance in this matter. Please contact me if you have any questions.

Respectfully yours,

Dennis G. Lyons
Counsel for CSX Corporation
and CSX Transportation, Inc.

Enclosures
via hand delivery

ENTERED
Office of the Secretary

JUN 16 1999

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Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388



CSX CORPORATION AND CSX TRANSPORTATION, INC.,
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY —
CONTROL AND OPERATING LEASES/AGREEMENTS — CONRAIL INC. AND
CONSOLIDATED RAIL CORPORATION

**CONFIRMATION OF THE DIVISION OF
CONSOLIDATED RAIL CORPORATION
PURSUANT TO ORDERING PARAGRAPH No. 4,
DECISION No. 89, SERVED JULY 23, 1998**

Pursuant to Ordering Paragraph No. 4 of Decision No. 89 (page 174), served July 23, 1998, in this matter, Applicants CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company, Conrail Inc. and Consolidated Rail Corporation hereby confirm that the date on which the Division of the routes and other assets of Consolidated Rail Corporation was effected was June 1, 1999, and that that date was the "Closing Date" referred to in the Transaction Agreement, also known as "Day One" and the "Split Date." Pursuant to such Ordering Paragraph No. 4, Applicants will, in

due course as they become available, submit to the Board three copies of the journal entries recording the Division.

Respectfully submitted.



June 16, 1999

Dennis G. Lyons
ARNOLD & PORTER
555 Twelfth Street, N.W.
Washington, DC 20004-1202

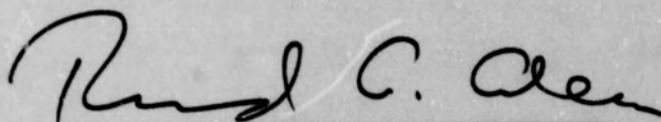
and

Mark G. Aron
Peter J. Shudtz
CSX CORPORATION
One James Center
901 East Cary Street
Richmond, VA 23129

and

P. Michael Giftos
Douglas R. Maxwell
Paul R. Hitchcock
CSX TRANSPORTATION, INC.
One James Center
500 Water Street
Speed Code J-120
Jacksonville, FL 32202

*Counsel for CSX Corporation
and CSX Transportation, Inc.*

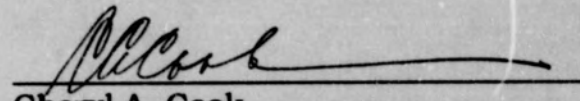


Richard A. Allen
ZUCKERT, SCOUTT & RASENBERGER
888 17th Street, N.W., Suite 600
Washington, DC 20006-3939

and

James C. Bishop, Jr.
William C. Wooldridge
J. Gary Lane
George A. Aspatore
NORFOLK SOUTHERN CORPORATION
Three Commercial Place
Norfolk, VA 23510-2191

*Counsel for Norfolk Southern Corporation
and Norfolk Southern Railway Corporation*



Cheryl A. Cook
CONRAIL INC.
2001 Market Street
Philadelphia, PA 19103
215-209-5042

*Counsel for Conrail Inc. and
Consolidated Rail Corporation*

STB

FD

33388

6-16-99

D

194785

SURFACE TRANSPORTATION BOARD

Memorandum

ENTERED
Office of the Secretary


JUN 16 1999

Part of
Public Record

DATE: June 16, 1999



TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger

ARNOLD & PORTER

555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206

(202) 942-5000
FACSIMILE: (202) 942-5999

NEW YORK
DENVER
LOS ANGELES
LONDON

DENNIS G. LYONS
(202) 942-5858

June 1, 1999

Mr. Melvin F. Clemens, Jr., Director
Office of Compliance and Enforcement
Surface Transportation Board
Mercury Building
1925 K Street, N.W.
Washington, D.C. 20423

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

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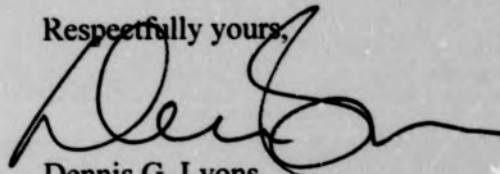
RECEIVED
SURFACE TRANSPORTATION
BOARD

**Re: CSX Corporation and CSX Transportation, Inc., Norfolk
Southern Corporation and Norfolk Southern Railway Company
— Control and Operating Leases/Agreements — Conrail Inc.
and Consolidated Rail Corporation, Finance Docket No. 33388**

Dear Mr. Clemens:

I enclose a Certification executed by Michael J. Ward, Executive Vice President – Coal and Conrail Integration of CSX Transportation, Inc., in compliance with Item 6 of the Operational Monitoring Requirements set forth at page 163 of the Board's Decision No. 89, served July 23, 1998, in the subject proceeding. Mr. Richard A. Allen has shared a copy of his covering letter of today with respect to the similar certification on behalf of Norfolk Southern Railway Company, and the enclosed Certification is submitted on the same understanding and basis as that of Norfolk Southern Railway Company set forth in Mr. Allen's letter.

Respectfully yours,



Dennis G. Lyons
Counsel for CSX Corporation
and CSX Transportation, Inc.

Enclosure
via hand delivery

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

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RECEIVED
SURFACE TRANSPORTATION
BOARD

**CERTIFICATION BY
CSX TRANSPORTATION, INC.**

CSX Transportation, Inc. ("CSXT") hereby certifies, pursuant to the requirements of Paragraph 6 of the statement of "Operational Monitoring Requirements" set forth at pages 162-65 of Decision No. 89, Finance Docket No. 33388, served July 23, 1998, as follows:

With respect to (i) the consolidation of the car management functions of CSX and Consolidated Rail Corporation ("Conrail") being effected on the first day of June, 1999, (ii) the crew training to familiarize employees of CSXT with new operating territories and with different locomotives and other equipment than that on which they may previously have worked being effected on such date, (iii) the consolidation of employee timekeeping functions, and (iv) any new train and traffic control systems that will come into effect with respect to the operations of CSXT over the former routes of Conrail being this day allocated to New York Central Lines, LLC and to be operated by CSXT, CSXT hereby certifies, to the extent such transition of operations from Conrail to CSXT is occurring as of this day, (a) that all affected employees have been fully trained and qualified to operate over the territories they will be assigned, (b) that the assigned employees are qualified to access and operate the information management systems designed for their particular use and related to crew management, timekeeping and train dispatching with respect to such former Conrail routes, and (c) that train, traffic control

and car management systems with respect to the operations of CSXT over the former Conrail routes are in place, are fully operational and are fully staffed.

This Certificate is executed this 1st day of June, 1999, on behalf of CSX Transportation, Inc.

CSX TRANSPORTATION, INC.

By Michael J. Ward
Michael J. Ward
Executive Vice President -
Coal and Conrail Integration

ZUCKERT SCOUTT & RASENBERGER, L.L.P.
ATTORNEYS AT LAW

888 Seventeenth Street, NW, Washington, DC 20006-5509
Telephone [202] 298-8660 Fax [202] 342-0683

RICHARD A. ALLEN

June 1, 1999

BY HAND

Mr. Melvin F. Clemens
Director, Office of Compliance and Enforcement
Surface Transportation Board
Mercury Building, Room 700
1925 K Street, N.W.
Washington, D.C. 20423-0001



Re: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreements -- Conrail Inc. and Consolidated Rail Corporation -- Finance Docket No. 33388

Dear Mr. Clemens:

I enclose a certification from Mr. Jon Manetta, Senior Vice President-Operations of Norfolk Southern Railway Company, in compliance with Item 6 of the Operational Monitoring Requirements set forth at page 163 of the Board's Decision No. 89 in this proceeding. As we discussed, this certification is intended to confirm that, to the extent transition of employees to new operating territories and to new equipment and new management information, traffic control and car management systems has occurred as of Day One, the affected employees have been fully trained on those territories, equipment and systems. Of course, training of employees for new territories, equipment and systems that they may be intended to operate in the future is and will always be an ongoing function. The enclosed certification, therefore, should not be understood to indicate that all current employees are fully trained on territories, equipment and systems they may be called upon in the future to operate. Some affected employees who are operating new territories, equipment and systems on Day One are also continuing to receive training for other territories, equipment and systems that NS intends them to be qualified for in the future.

Sincerely,

A handwritten signature in black ink that reads "Richard A. Allen". The signature is written in a cursive style and is positioned above the typed name.

Richard A. Allen
Counsel for Norfolk Southern Railway Company

Encl.

RECEIVED
SURFACE TRANSPORTATION
BOARD
JUN 2 1 16 PM '99
OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE
DIRECTORIAL 973-7902
raalie@stb.com

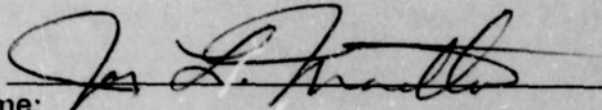
**CERTIFICATION BY
NORFOLK SOUTHERN RAILWAY COMPANY**

Norfolk Southern Railway Company ("NSR") hereby certifies, pursuant to the requirements of Paragraph 6 of the statement of "Operational Monitoring Requirements" set forth at pages 162-65 of Decision No. 89, Finance Docket No. 33388, served July 23, 1998, as follows:

With respect to (i) the consolidation of the car management functions of NSR and Consolidated Rail Corporation ("Conrail") being effected on the first day of June, 1999, (ii) the crew training to familiarize employees of NSR with new operating territories and with different locomotives and other equipment than that on which they may previously have worked being effected on such date, (iii) the consolidation of employee timekeeping functions, and (iv) any new train and traffic control systems that will come into effect with respect to the operations of NSR over the former routes of Conrail being this day allocated to Pennsylvania Lines, LLC and to be operated by NSR, NSR hereby certifies, to the extent such transition of operations from Conrail to NSR is occurring as of this day, (a) that all affected employees have been fully trained and qualified to operate over the territories they will be assigned, (b) that the assigned employees are qualified to access and operate the information management systems designed for their particular use and related to crew management, timekeeping and train dispatching with respect to such former Conrail routes, and (c) that train, traffic control and car management systems with respect to the operations of NSR over the former Conrail routes are in place, are fully operational and are fully staffed.

This Certificate is executed this 1st day of June, 1999, on behalf of Norfolk
Southern Railway Company.

NORFOLK SOUTHERN RAILWAY COMPANY

By: 
Name: _____
Title: _____

STB

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6-11-99

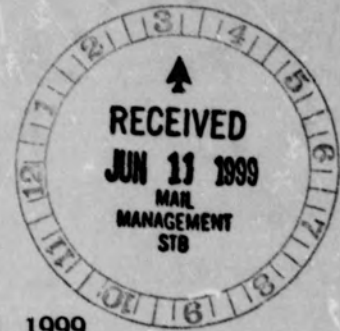
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SURFACE TRANSPORTATION BOARD

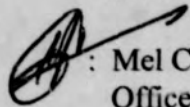
Memorandum

194738



DATE: June 11, 1999

TO : Ellen Keys, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM  : Mel Clemens, Director
Office of Compliance and Enforcement



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Office of the Secretary
JUN 14 1999
Part of
Public Record

SUBJECT : STB FINANCE DOCKET NO. 33388 - OPERATIONAL MONITORING DATA

Attached are the original and two copies of the public data files provided to this office by CSX and Norfolk Southern as required in the above proceeding, which are to be committed to the docket for public reference. As requested, I am providing the three paper copies to Ron Douglas, two for the docket and one for DC News. If there are any questions, please don't hesitate to contact me or Jim Greene.

Attachments

cc: Chairman Morgan
Vice Chairman Clyburn
Commissioner Burkes
Richard Armstrong
Ron Douglas
Charles Renninger



RECEIVED
SURFACE TRANSPORTATION
BOARD

500 Water Street (J120)
Jacksonville, FL 32202
phone (904) 366-4684
fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

JUN 11 2 44 PM '99

June 9, 1999

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
U.S. Department of Transportation
The Mercury Building
1925 K Street, N.W., Suite 500
Washington, D.C. 20423

Dear Mr. Clemens:

Enclosed with this transmittal letter are the CSXT's operational monitoring reports to the Board for the week ending Friday, June 4.

These statistics are for a week that straddled the Memorial Day weekend and, importantly, reflect the beginning of CSXT's operation of its share of Conrail. As such, they are not truly representative of pre-Split, CSXT/Conrail. The slowdown in industrial activity over the holiday weekend and the reduction in yard activities over the holiday skew the data substantially.

A few comments are probably appropriate about the start-up of separate operations and developments since the close of the period covered by the statistics. CSXT was pleased with the start-up on Split Date. We are very encouraged by the fact that fundamental factors affecting our operations have been very good – crews, locomotives, cars and track availability. All computer systems were recovered from the cutover. The majority of the technology systems problems have been solved over the past week, but a few minor data quality issues still exist. Given the complexity of the challenge, we are very pleased with the information technology situation.

A lightning strike at our Jacksonville operations center, unrelated to the Conrail integration effort, shut down signal systems on a third of our railroad on the night of June 3. Operations in the newly acquired territory were not affected by the outage, as those operations are handled from Albany, N.Y., and Indianapolis, Ind. Recovery from the outage was prompt and the incident had no untoward consequences on the fluidity of the CSXT network.

"No-bills" – the lack of paperwork accompanying cars – proved to be an issue during the first week. Much of this issue involved cars moving on old "Conrail" waybills in interline service. By the end of the first week of integrated operations, we had made significant progress on the no-bill issue. Additionally, we are working with customers to ensure the timely movement of no-bill cars.

We also have seen some minor delays in getting crews from hotels to their yards or trains. We expect that this will remedy itself quickly, as we have considerable efforts in place to improve this operation.

We know that service is not yet to the level that we want it to be. We are in daily contact with our customers and appreciate the assistance we received from them leading up to Split Date and, certainly, during this first week of integration. We also are grateful to our union and management employees for their dedication and commitment to making this integration successful.

Looking back at our first week of integration, we feel the integration plan worked as intended. We recognized that we would confront challenges, and our plan provided for the processes and resources to enable us to be nimble and react quickly to resolve issues as they surfaced.

Sincerely,

Danford L. Price
Assistant Vice President -
Service Measurements

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/04/99

Yard Performance

Location	Measure	Monday 5/31/99	Tuesday 6/1/99	Wednesday 6/2/99	Thursday 6/3/99	Friday 6/4/99
Oak Island, NJ	Fluid Capacity	-	N/A	N/A	1200	1200
	Cars On Hand - Loaded	-	N/A	N/A	421	632
	Cars On Hand - Empty	-	N/A	N/A	462	582
	Cars Handled	-	N/A	N/A	254	524
	Dwell Hours	-	N/A	N/A	20.6	24.9
Pavonia, NJ	Fluid Capacity	-	N/A	N/A	900	900
	Cars On Hand - Loaded	-	N/A	N/A	126	265
	Cars On Hand - Empty	-	N/A	N/A	295	423
	Cars Handled	-	N/A	N/A	301	150
	Dwell Hours	-	N/A	N/A	25.7	32.1
North Yard, MI	Fluid Capacity	-	N/A	N/A	850	850
	Cars On Hand - Loaded	-	N/A	N/A	456	321
	Cars On Hand - Empty	-	N/A	N/A	337	302
	Cars Handled	-	N/A	N/A	159	278
	Dwell Hours	-	N/A	N/A	20.2	14.8

CSX Comments: Measures for June 1st and June 2nd are not shown due to incomplete data. Shared Assets operating plans were initiated successfully. SAA assigned crews reported on time and power was available. Customer place and pull activity occurred substantially as planned with cars made available from the yard and/or from incoming road trains.

Surface Transportation Board

SAA Performance Measures

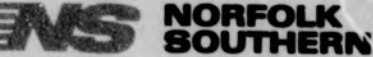
Composite of NS/CSX Traffic

For the week ending: 06/04/99

On Time Performance

Location	Measure	Monday 5/31/99	Tuesday 6/1/99	Wednesday 6/2/99	Thursday 6/3/99	Friday 6/4/99
North Jersey SAA	Number of Originations	-	4	8	7	10
	% Ontime	-	50%	38%	43%	20%
	% Late 0-2 Hours	-	0%	0%	0%	10%
	% Late 2-4 Hours	-	25%	13%	0%	10%
	% Late 4-6 Hours	-	0%	25%	0%	10%
	% Late GT 6 Hours	-	25%	25%	57%	50%
South Jersey SAA	Number of Originations	-	3	4	6	5
	% Ontime	-	33%	25%	0%	20%
	% Late 0-2 Hours	-	67%	25%	17%	0%
	% Late 2-4 Hours	-	0%	25%	0%	0%
	% Late 4-6 Hours	-	0%	-	33%	0%
	% Late GT 6 Hours	-	0%	25%	50%	80%
Detroit SAA	Number of Originations	-	4	8	7	7
	% Ontime	-	0%	13%	29%	29%
	% Late 0-2 Hours	-	75%	38%	43%	29%
	% Late 2-4 Hours	-	0%	0%	14%	14%
	% Late 4-6 Hours	-	0%	0%	0%	0%
	% Late GT 6 Hours	-	25%	50%	14%	29%

CSX Comments: This report covers only train originations from yards managed by the Conrail Shared Assets Area Operations and not yards of CSXT or NS in the SAA vicinity. Shared Assets operating plans were initiated successfully. Inbound trains and local traffic were switched to build outbound trains on a current basis. Composite outbound train performance experienced delays due to Day 1 transition from Conrail train schedules to the SAA operating plan.



Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510-9242



George A. Aspatore
General Solicitor

Writers Direct Dial Number

(757) 629-2657
fax (757) 533-4872

June 9, 1999

Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, enclosed are three schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas and Yard Performance for Norfolk Southern for the week ending June 4, 1999. Also included, are two confidential reports containing performance statistics for NS's Chicago Gateway Interchange Operations and NS's Corridor Train Performance. Finally, I am including a letter written by Jon L. Manetta, Senior Vice President of Operations, which discusses delays in our rail operations since June 1, 1999.

Sincerely,

George A. Aspatore
General Solicitor

Enclosures

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

JUN 10 10 06 AM '99

RECEIVED
SURFACE TRANSPORTATION
BOARD



Norfolk Southern Corporation
Three Commerical Place
Norfolk, Virginia 23510-9226
757-629-2606
FAX 757-629-2344

J. L. Manetta
Senior Vice President
Operations

June 9, 1999

Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

JUN 10 10 07 AM '99

RECEIVED
SURFACE TRANSPORTATION
BOARD

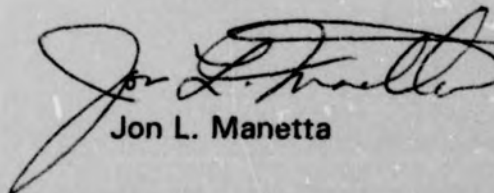
Dear Mr. Clemens:

We have experienced delays in our rail operations since June 1, 1999, the Closing Date of the Conrail transaction. Some of the problems centered around the integration of the Norfolk Southern and Conrail computer systems and processes. A number of the problems were minor and were readily fixed. Others took longer and still others have yet to be completely resolved. However, we are seeing daily improvements in car classification, movement reporting and electronic communication with foreign roads. The Transportation Department is working closely with Information Technology to resolve these problems.

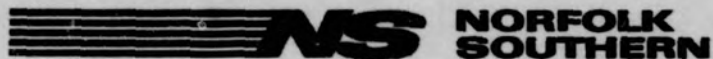
A number of the computer integration problems which created delays in our rail operations also affected the timeliness and accuracy of reporting. With improved reporting, the metrics in future reports will be more indicative of operations.

Finally, we experienced delays in rail operations due to crew calling problems. Although the NS and Conrail crew calling systems were similar, the differences were sufficient to create confusion. With increasing familiarity of the system, additional phone lines and additional staff, we are seeing daily improvements in crew management.

Sincerely,



Jon L. Manetta



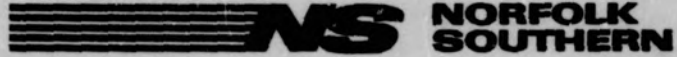
For the week ending 6/4/99

Shared Asset Train Origination Performance*

Location	Date	Count of date	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit	1-Jun	4	0%	75%	0%	0%	25%
	2-Jun	8	13%	38%	0%	0%	50%
	3-Jun	7	29%	43%	14%	0%	14%
	4-Jun	7	29%	29%	14%	0%	29%
Detroit Total		26	19%	42%	8%	0%	31%
North Jersey	1-Jun	4	50%	0%	25%	0%	25%
	2-Jun	8	38%	0%	13%	25%	25%
	3-Jun	7	43%	0%	0%	0%	57%
	4-Jun	10	20%	10%	10%	10%	50%
North Jersey Total		29	34%	3%	10%	10%	41%
South Jersey	1-Jun	3	33%	67%	0%	0%	0%
	2-Jun	4	25%	25%	25%	0%	25%
	3-Jun	6	0%	17%	0%	33%	50%
	4-Jun	5	20%	0%	0%	0%	80%
South Jersey Total		18	17%	22%	6%	11%	44%
Grand Total		73	25%	22%	8%	7%	38%

Conrail comments concerning train operations:

Shared Asset local service plans were initiated successfully. Assigned crews reported and power was available. Customer place and pull activity occurred as scheduled with cars made available from the yard or from incoming road trains. Outbound road trains were prepared and offered to the owning roads based upon schedule and available road power and crews.



For the week ending 6/4/99

Shared Asset Area - Yard Performance

Yard	Date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	6/3/99	850	337	456	793	159	20.2
	6/4/99	850	302	321	623	278	14.8
North Yard MI Average			320	389	708	219	16.8
Oak Island NJ	6/3/99	1200	462	421	883	254	20.6
	6/4/99	1200	582	632	1214	524	24.9
Oak Island NJ Average		1200	522	527	1049	389	23.5
Pavonia NJ	6/3/99	900	295	126	421	301	25.7
	6/4/99	900	423	265	688	150	32.1
Pavonia Average		900	359	196	555	226	27.8

Measures for June 1 and June 2 not shown. Complete and reliable data for these dates is not available.



Office of the Chairman

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

FILE IN DOCKET

FA-33388

May 18, 1999

The Honorable Richard G. Lugar
United States Senate
Washington, D.C. 20510-1401

Dear Senator Lugar:

Thank you for your recent letter regarding the preservation of competition in Indianapolis and throughout the State of Indiana following approval by the Surface Transportation Board (Board) of the proposal by CSX and Norfolk Southern to acquire Conrail. Specifically, you express support for the condition imposed by the Board to ensure that Indianapolis Power & Light Company (IP&L) would not suffer competitive harm as a result of the Conrail transaction.

As you know, the Board already has issued a number of decisions concerning the IP&L condition and its implementation. The Board remains committed to the proper implementation of that condition and to assuring that the Conrail acquisition transaction will not competitively harm IP&L. Because certain issues remain pending before the Board regarding the IP&L condition, it would be inappropriate for me to comment further at this time.

I am having your letter made a part of the public docket for the Conrail proceeding, and your name is already on the service list, which ensures that you receive all Board decisions in this case. Again, I appreciate hearing your views on this matter, and if I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Linda I. Morgan

RICHARD G. LUGAR
INDIANA

306 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510
202-224-4814

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
CHAIRMAN
FOREIGN RELATIONS
SELECT COMMITTEE
ON INTELLIGENCE

United States Senate

WASHINGTON, DC 20510-1401

April 29, 1999

The Honorable Linda Morgan
Chairman
Surface Transportation Board (STB)
12th and Constitution Avenues, N.W.
Room 4126
Washington, D.C. 20423

FILE IN DOCKET

OFFICE OF
CHAIRMAN
LINDA MORGAN

MAY 3 3 31 PM '99

RECEIVED
SURFACE TRANSPORTATION
BOARD

RE: *Finance Docket 33388*

Dear Ms. Morgan:

I am writing to share with you my continued interest in ensuring a competitive, balanced and efficient rail transportation network in Indiana.

I understand the STB continues its work to monitor the situation involving efforts by the Class I and short-line railroads to implement the July, 1998 decision, and subsequent Board decisions, intended to ensure direct competitive rail access for Indianapolis Power and Light's (IPL) Stout power generation facility in Indianapolis.

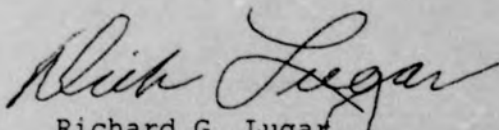
As I indicated in my previous correspondence to you about this matter, maintaining competitive access for rail transportation in the Indianapolis area is very important to the strength of our State's economy and to the continued efficient flow of intrastate and interstate commerce.

Included as part of the STB's approval last year of the Conrail acquisition plan submitted by CSX Transportation and the Norfolk Southern Railroad, the Board's decision in the IPL matter was an important one. The condition imposed by the Board in the IPL situation will help ensure competitive movement of products and commodities within the Indianapolis area and throughout the Hoosier State.

I wanted to share with you my interest in the progress of this important matter. I am hopeful the STB will continue its work to ensure the decisions made by the Board are implemented in an appropriate and timely manner.

Thank you for your consideration.

Sincerely,



Richard G. Lugar
United States Senator

RGL/rhr

STB

FD

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5-28-99

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CONRAIL

194624



May 27, 1999

ENTERED
Office of the Secretary

JUN - 1 1999

Part of
Public Record

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N. W.
Washington, D. C. 20423

RE: STB Finance Document No. 33388 (Service Date - July 23, 1998): CSX and NS - Control and Acquisition of Conrail - Conrail's Status Report with Environmental Conditions of Decision No. 89 in STB Finance Document No. 33388

Dear Secretary Williams:

Enclosed, per the request of Chairman Morgan are twenty-five (25) hard copies and one electronic copy of the status report of May 26, 1999 on Conrail's progress in satisfying the Environmental Conditions contained in Appendix Q of Decision 89 issued on July 23, 1998. As you will see, all of the Environmental Conditions required by the June 1, 1999 closing date have been completed.

If you have any questions regarding this submission, until June 1, 1999 I can be reached at the address noted on this stationary, and phone number 215-209-1686. After June 1, 1999, the address and phone number will be:

Conrail, Suite 400
1000 Howard Boulevard
Mount Laurel, NJ 08054

Phone number 609-231-2008

Sincerely,

Craig Curry
Chief Environmental and Safety Officer

cc: Ms. Elaine Kaiser (5 copies)
Mr. Bob Allen - CSX
Mr. Bruno Maestri - NS

Mr. Timothy T. O'Toole
Ms. Cheryl Cook

**Conrail's Status Report on Compliance with Environmental Conditions of
Decision No. 89 in STB Finance Docket No. 33388**

On July 23, 1998, the STB issued its written decision (STB Decision No. 89 in Finance Docket No. 33388) approving the acquisition and control of Conrail, Inc. and Consolidated Rail Corporation (Conrail) by CSX Corporation and CSX Transportation, Inc. (CSX) and Norfolk Southern Corporation and Norfolk Southern Railway company (NS), subject to certain conditions. Three Shared Asset Areas (SAA) will be retained by Conrail. Appendix Q of the Decision contains the Environmental Conditions.

The STB has requested a status report on their respective progress in satisfying the Environmental Conditions imposed by the STB. The following provides the status (as of May 17, 1999) and other relevant information on those Environmental Conditions applicable to the SAA's retained by Conrail categorized as follows: (1) Environmental Conditions to be completed prior to the June 1, 1999 Closing Date or Day One, the date on which CSX and NS will affect the division of the operation and use of the assets of Conrail; (2) additional Environmental Conditions that have been completed by Conrail in advance of the June 1, 1999 Closing Date; (3) Environmental Conditions requiring ongoing compliance by Conrail (e.g., continuing compliance with regulations without a completion date); and (4) progress by Conrail towards satisfaction of the remaining Environmental Conditions.

Overall, as of May 26, 1999, approximately 12 of the total Environmental Conditions applicable to Conrail have been completed; and 100% of the Environmental Conditions required by the June 1, 1999 Closing Date applicable to Conrail have been completed.

1) Environmental Conditions to be completed by Conrail prior to the June 1, 1999 Closing Date

Several of the Environmental Conditions require actions to be completed by Conrail before the June 1, 1999 Closing Date. As indicated in the following table, Conrail has satisfied all of the Environmental Conditions, as modified, required to be completed by the June 1, 1999 Closing Date.

TABLE I

Environmental Conditions to be Completed by Conrail Prior to the June 1, 1999 Closing Date			
Environ. Condition No.	Description of Environmental Conditions	Date Completed by Conrail	Certification/Submittals by Conrail to STB (where applicable)
<i>General, Safety: Highway/Rail At-grade Crossings</i>			
1(B)	Post increased train traffic signs	3/8/99	5/24/99
<i>Regional, Safety: Hazardous Materials Transport</i>			
4(A)	Comply with AAR "key routes" guidelines and revisions	8/22/98	5/24/99; also requires ongoing compliance - see Table 3
4(B)	Distribute Hazmat Emergency Response Plans	4/29/99	5/24/99; also requires ongoing compliance - see Table 3
4(C)	Develop and provide local Hazmat Emergency Response Plans	4/29/99	5/24/99;
5(A)	Provide toll-free numbers to emergency response organizations	4/29/99	5/24/99;

Note: Information contained in the above table reflects the status of Environmental Conditions pertinent to Conrail as of May 26, 1999.

2) Additional Environmental Conditions completed by Conrail

Some of the Environmental Conditions that are applicable to Conrail contain deadlines which will occur after the June 1, 1999 Closing Date and others have no specified deadlines. The following table summarizes those Environmental Conditions that have been completed by Conrail from the group of post-Closing Date or undated Environmental Conditions.

TABLE 2

Additional Environmental Completed by Conrail in Advance of the June 1, 1999 Closing Date			
Environ. Condition No.	Description of Environmental Condition	Date Completed by Conrail	Comments
<i>General, Safety: Highway/Rail At-grade Crossings</i>			
1(A)	Post toll-free phone numbers on specified crossing.	3/8/99	5/24/99
1(D)	Make Operation Lifesaver available	10/28/98	Communities notified of availability.

Note: Information contained in the above table reflects the status of Environmental Conditions pertinent to Conrail as of May 26, 1999.

3) Environmental Conditions requiring ongoing compliance by Conrail

Several of the Environmental Conditions applicable to Conrail specify compliance with existing regulations or industry guidelines, or require continuous or periodic action by Conrail. In addition, some Environmental Conditions require the use of "best management practices" for certain activities. Because it is Conrail's internal policy to comply with applicable regulations and pertinent industry guidelines, there are no specific additional actions required to be undertaken by Conrail to satisfy many of these conditions. The following table summarizes these types of requirements. As shown in the comments, Conrail is in compliance with those Environmental Conditions that are currently applicable and will conduct the specified actions at such future dates as are required in the Environmental Conditions. As these conditions require ongoing action by Conrail, no completion date is listed.

TABLE 3

Environmental Conditions Requiring Ongoing Compliance by Conrail During the STB Oversight Period		
Environ. Cond. No.	Description of Environmental Condition	Comments
<i>General, Safety: Highway/Rail At-grade Crossings</i>		
1(C)	Promptly conduct maintenance around crossings required to comply with applicable regulations.	Current Conrail policy
2	Comply with AAR "key train" guidelines.	Current Conrail policy
<i>Regional, Hazardous Materials Transport</i>		
4(A)	Comply with AAR "key routes" guidelines and revisions	Conrail submitted STB certification on 5/24/99, and will continue to comply; see also Table 1.
4(B)	Distribute Hazmat Emergency Response plans	Conrail submitted STB certification on 5/24/99, and will distribute plans every three years, as required; see also Table 1.
5(B)	Notify USFWS and State DNR's if hazmat release has potential to affect wetlands or habitats	Incorporated into Conrail policy
<i>Safety Integration Conditions</i>		
49(A)	Comply with Safety Integration Plans	Current Conrail policy in place and compliance ongoing with the FRA
49(B)	Participate in ongoing regulatory activities associated with safety integration plans	Current Conrail policy in place and compliance ongoing with the FRA
<i>Monitoring and Enforcement Condition</i>		
50	Petition the STB for material changes in conditions	Conrail to report need for any changes to STB, if necessary

Note: Information contained in the above table reflects the status of Environmental Conditions pertinent to Conrail as of May 26, 1999.

4) Environmental Conditions for which compliance activities not yet completed

As a final category, the following table summarizes the status of Environmental Conditions for which compliance activity by Conrail is currently underway, but not yet completed. Examples of these types of Environmental Conditions include projects that are still in the construction stage or requirements that Conrail participate in periodic meetings with local government authorities for a specified period.

TABLE 4

Conrail progress Towards Completion of Remaining Environmental Conditions			
Environ. Condition No.	Description of Environmental Condition	Due Date	Comments
<i>Regional, Safety: Hazardous Materials Transport</i>			
4(D)	Implement real-time or desktop simulation emergency response drills	8/22/00	In progress; drills planned to be held in Fall, 1999.
6	Establish FMEA	8/22/00	In progress.
<i>Local (specific locations are included in "Description of Environmental Conditions")</i>			
8(A)	Upgrade warning devices at specified crossings	8/22/00	In progress; approved as a capital expenditure in 1999 budget.
11	Mitigate noise at noise-sensitive receptors along specified segments	8/22/00	In progress.

Note: Information contained in the above table reflects the status of Environmental Conditions pertinent to Conrail as of May 26, 1999.