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ARNOLD & PORTER

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Mary Gabrielle Sprague
Mary_Gay_Sprague@apnwr.com
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202.942.5999 Fax
555 Twelfth Street, NW
Washington, DC 20004-1206

February 24, 2003

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



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Office of Proceedings

FEB 24 2003

Part of
Public Record

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 -- CSX and Conrail Certification of Compliance with Environmental Condition 11

Dear Secretary Williams:

CSX Corporation and CSX Transportation, Inc. hereby certify that they have completed their compliance with Environmental Condition 11. At the request of Conrail, we are also certifying that Conrail has completed its compliance with Environmental Condition 11. In Decision No. 205 (served February 22, 2002), the Board granted CSX and Conrail an extension to February 22, 2003 to complete their compliance. CSX and Conrail completed their compliance within this extension period.

Pursuant to Environmental Condition 11 of Appendix Q of Decision No. 89 in the above proceeding, Applicants were required, with the written concurrence of the responsible local governments, to mitigate train wayside noise at the locations identified in the table entitled "Receptors that Meet Wayside Noise Mitigation Criteria." Environmental Condition 11 further provides that the specific requirements of the condition "shall not apply to those communities that have executed Negotiated Agreements with Applicants that satisfy the communities' environmental concerns."

CSX implemented Environmental Condition 11 in the following ways. CSX submitted to the Board 31 Negotiated Agreements under Environmental Condition 11, all of which were approved by the Board. Significantly, these Negotiated Agreements covered all of the eligible receptors identified in Environmental Condition 11 that are located in Indiana and Ohio. CSX also entered into Negotiated Agreements with nine responsible local governments in Pennsylvania. Elizabeth Township and Rostraver Township, PA informed CSX that they wished CSX to contact individual property owners. CSX contacted the

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ARNOLD & PORTER

Hon. Vernon A. Williams

February 24, 2003

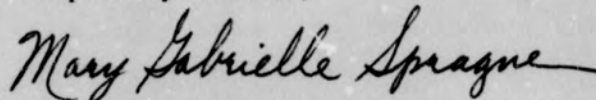
Page 2

individual property owners as requested, and entered into individual agreements covering all of the eligible structures.

Conrail complied with Environmental Condition 11 with respect to the eligible receptors located in the Detroit Shared Assets Area in the same ways. Conrail entered into Negotiated Agreements with two responsible local governments, both of which were approved by the Board. Allen Park, Ash Township, and Lincoln Park, MI informed Conrail that they wished Conrail to contact individual property owners. Conrail contacted the individual property owners as requested, and entered into individual agreements covering all of the eligible structures.

Please contact me (202-942-5773) if you have any questions about this certification.

Respectfully submitted,

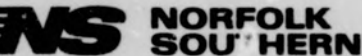


Mary Gabrielle Sprague
Counsel for CSX Corporation and
CSX Transportation, Inc.

cc: Victoria J. Rutson, SEA
Phillis Johnson-Ball, SEA
Neil Fearene, Director Safety and Environmental, Conrail

STB FD 33388 2/21/03

D 207279



Norfolk Southern Corporation
1500 K Street, N.W., Suite 375
Washington, D.C. 20005
202/383-4166
Direct: 202/383-4425
Fax: 202/383-4018
email: bmaestri@nscorp.com

Bruno Maestri
Vice President
Public Affairs

207279

February 21, 2003



By Hand Delivery – Original and 25 Copies

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

Re: STB Finance Docket No. 33388 (Service Date – July 23, 1998):
CSX and NS – Control and Acquisition of Conrail; **Certification of
Norfolk Southern Compliance with Environmental Condition 8(A)**

Dear Secretary Williams:

Enclosed please find twenty-five (25) hard copies and one electronic copy of Quarterly Report Number 18 for the subject environmental condition certifying compliance in accordance with STB Decision No. 89.

Yours very truly,

Bruno Maestri

Enclosure

cc: Victoria J. Rutson (5 copies)

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FEB 21 2003

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**SURFACE TRANSPORTATION BOARD
STB FINANCE DOCKET NO. 33388**



**CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
-- CONTROL AND OPERATING LEASE AGREEMENTS --
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION**

**Decision 89, as Amended by Decision 96
Appendix Q, Environmental Conditions
III. Local or Site-Specific Environmental Conditions
Condition 8(A): Highway/Rail At-Grade Crossings**

**Quarterly Report Number 18 fo.
Norfolk Southern Corporation and
Norfolk Southern Railway Company**

**ENTERED
Office of Proceedings**

FEB 21 2003

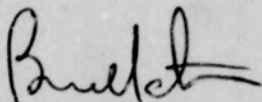
**Part of
Public Record**

February 21, 2003

CERTIFICATION OF COMPLIANCE

In accordance with Environmental Condition 8(A) set forth in Appendix Q to Decision No. 89 of the Surface Transportation Board in Docket No. 33388, Norfolk Southern Corporation and Norfolk Southern Railway Company ("Norfolk Southern") hereby certify that Norfolk Southern remains in compliance with the requirements of Condition 8(A). Norfolk Southern has continued to address the remaining projects to be completed in accordance with Environmental Condition 8(A) and the Board's orders modifying that condition.

Certified by:

A handwritten signature in dark ink, appearing to read 'Bruno Maestri', is written over a horizontal line.

Bruno Maestri
Vice President
Public Affairs

Date: February 21, 2003

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Norfolk Southern Corporation
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email: bmaestri@nscorp.com

Bruno Maestri
Vice President
Public Affairs

February 21, 2003

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



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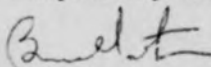
Re: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail Inc. and Consolidated Rail Corporation; Norfolk Southern Certification of Compliance with Environmental Condition 11, Appendix Q to Decision No. 89 for Rail Line Segments N-040, N-079 and N-085

Dear Secretary Williams:

Enclosed please find twenty-five (25) hard copies and one electronic copy of the Norfolk Southern "Certification of Compliance with Environmental Condition 11, Appendix Q to Decision No. 89 for Rail Line Segments N-040, N-079 and N-085" in the above-referenced docket.

Norfolk Southern Corporation and Norfolk Southern Railway Company (Norfolk Southern) have completed compliance with the noise mitigation requirements established by the Surface Transportation Board in Environmental Condition 11, Appendix Q to Decision No. 89 (service date July 23, 1998) for the Conrail acquisition-related Norfolk Southern rail line segments in Indiana and Ohio.

Respectfully submitted,


Bruno Maestri

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FEB 21 2003

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Enclosure

cc: Victoria J. Rutson, Esq. (5 copies); Phillis Johnson-Ball

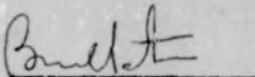
**CERTIFICATION OF COMPLIANCE WITH ENVIRONMENTAL
CONDITION 11, APPENDIX Q TO DECISION NO. 89 FOR
RAIL LINE SEGMENTS N-040, N-079 AND N-085**

In accordance with Environmental Condition 11 set forth in Appendix Q to Decision No. 89 of the Surface Transportation Board in Docket No. 33388, Norfolk Southern Corporation and Norfolk Southern Railway Company ("Norfolk Southern") hereby certify that Norfolk Southern has complied with the requirements of Condition 11 with respect to the Norfolk Southern rail line segments in Indiana and Ohio. The relevant Norfolk Southern rail line segments are:

N-040	Alexandria, IN to Muncie, IN
N-079	Oak Harbor, OH to Bellevue, OH
N-085	Bellevue, OH to Sandusky Dock, OH

Norfolk Southern has satisfied the noise mitigation requirements of Environmental Condition 11 for these rail line segments through negotiated agreements with local governments or, with the concurrence of the responsible local government, noise-sensitive receptor location owners.

Certified By:



Bruno Maestri
Norfolk Southern Corporation
Vice President
Public Affairs

Date: February 21, 2003

STB

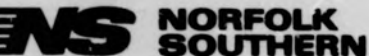
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Bruno Maestri
Vice President
Public Affairs

206787

January 2, 2003

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



Re: Finance Docket No. 33388, Altoona and Blair County Quarterly Report

Dear Secretary Williams:

I am pleased to submit the enclosed original and ten copies of Norfolk Southern's third quarterly report, as required by Decision No. 198 (served September 19, 2001) in Finance Docket No. 33388, describing Norfolk Southern's efforts to develop insourcing business for the Juniata Locomotive Shop and to work with the Altoona and Blair County area on alternative economic development projects.

The enclosed quarterly report builds on the information provided in NS' previous quarterly reports. In this third report, newly-added information, covering developments during the fourth quarter of 2002, is highlighted in **Bold**.

ENTERED
Office of Proceedings

JAN 02 2003

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Public Record

Very truly yours,

Bruno Maestri

Encl.

cc: (w/encl.) Chairman Roger P. Nober
Vice Chairman Wayne O. Burkes
Commissioner Linda J. Morgan
The Hon. Arlen Specter
Scott N. Stone, Esq.
Richard S. Edelman, Esq.

Third Quarterly Report of Norfolk Southern Railway Company Regarding the Altoona and Blair County Area, Finance Docket No. 33388, CSX Corp., et al., Norfolk Southern Corp., et al., - Control and Operating Leases/Agreements - Conrail Inc., et al. (as of January 2, 2003)

Norfolk Southern Railway Company ("NS") submits this quarterly report pursuant to Decision No. 198 (served September 19, 2001) in Finance Docket No. 33388. This report describes NS' efforts since the beginning of the second quarter 2002 to attract insourcing business to the Juniata Locomotive Shop and its efforts to work with the Altoona and Blair County area on alternative economic development projects. In this report, updates from NS' previous report will appear in **Bold**. This report begins with a description of the major industrial facilities in the Altoona/Blair County area that can be served by NS.

As noted previously, NS' efforts to secure insourcing projects for JLS and to develop commercial relationships with regard to other facilities in the Altoona and Blair County area are ongoing and often involve commercially sensitive negotiations. Accordingly, in some cases, NS will not present a detailed discussion of particular initiatives in this report in order to protect NS' competitive and commercial efforts. In some cases, particular initiatives of significant competitive and commercial import will not be discussed at all until such time as agreements are reached.

Facilities in the Altoona/Blair County Area

The following are major industrial facilities in the Altoona/Blair County area that can be served by NS or by shortline railroads connected to NS:

Ardie J. Dillion Industrial Park is an industrial park located in the Interstate 99 Enterprise Zone.¹ It is located on Interstate 99 approximately half way between Tyrone and Altoona, and is adjacent to NS lines. Seven industries are located in the industrial park.

Juniata Locomotive Shop ("JLS") is one of NS' two current facilities for major locomotive repair, overhaul and heavy maintenance. (The other such facility is located in Roanoke, Virginia.) JLS also provides running repairs to NS' fleet of locomotives, as do other facilities on the NS system. The facility, which dates from 1890, has a total of 28 buildings. The on-site power plant, through its three coal-fired boilers and two turbine-generators, provides power to the facility. The E & M Shop houses the main overhaul facilities (current overhaul capacity estimated to be 340 units per year), the wheel shop, the traction motor shop and other dedicated facilities. The dedicated paint building has two paint booths currently operating. NS stores and performs maintenance on its 21 car fleet of business cars and 9

¹ Companies that locate within an "Enterprise Zone" are eligible for low-interest loans, corporate income tax credits, job training assistance, and grants.

research and test cars in another building. The facility serves as the part distribution center for the entire NS locomotive running repair system.

The JLS facilities were last completely renovated in the early 1980s, but partial renovations and modernizations have continued since that time. For example, a new power assembly line was installed in May 2002. Several portions of the shops were rehabilitated in 2000 and 2001, including the EMD overhaul line, the truck shop, the wheel shop, the motor shop and the power assembly cleaning area. Additional modernizations and rehabilitations will be performed as capital becomes available and when the work is justified.

Hollidaysburg Car Shop ("HCS"), one of several railroad car repair facilities on the NS system, is scheduled to close July 21, 2002. The facility, first operational in 1955, consists of over three-quarters of a million square feet of enclosed shop and car production space sitting on over 360 acres of land. The building housing the Shops is over one-half mile long and at points it is nearly 330 feet wide. The building contains four main tracks over 3,000 feet long, 12 overhead cranes, and three paint and blast facilities. Up to 3,500 rail cars can be stored at the Shops at any one time. There are over 65 miles of rail tracks in the main building and elsewhere throughout the property. The facility is located in a Keystone Opportunity Zone.²

Northern Altoona KOZ Site is a warehousing/distribution/manufacturing heavy industrial site that is located close to Interstate 99. The facility is located in a Keystone Opportunity Zone and along the Interstate 99 Enterprise Zone. NS rail service is available to the site. There are no occupants of this site as of June 2002.

Robert C. Jubelier Business Park is a distribution/logistics facility. Located along Interstate 99 at Business Route 220, the facility is located in a Keystone Opportunity Zone and along the Interstate 99 Enterprise Zone. As of June 2002, one trucking company is located at the facility. The park is served by the Nittany & Bald Eagle Railroad, a shortline connected to NS.

Rose Yard is a NS rail yard that borders on JLS.

South Altoona Business Park is an in-town industrial park facility located in an Enterprise Zone. Nine companies are located in the facility. NS rail service is available to the site.

Walter Business Park is an distribution business park with access to the Everett Railroad, a shortline connected to NS.

² A business located in an "Opportunity Zone" is eligible for an extended period of state and local tax relief.

William W. Ward Business Park is an industrial/business park located south of Altoona and west of Interstate 99. Eight companies are located in the facility. NS rail service is available to the site.

JLS Insourcing and Altoona/Blair County Economic Development

The following are the major insourcing projects undertaken or planned at JLS and other NS efforts regarding alternative economic development in the Altoona/Blair County area commencing with the second quarter of 2002:

- A JLS locomotive overhaul insourcing project for CSX, covering a total of 195 units at the rate of approximately eight overhauls per month, has just been completed during the second quarter, 2002.
- On October 25, 2001, NS' Thoroughbred Mechanical Services ("TMS") finalized a contract for a JLS locomotive remanufacturing insourcing project for First Union, covering approximately two units per month, which began in November 2000 and is scheduled to be completed in April 2004.
- NS has had discussions with the Altoona Blair County Development Corporation ("ABCD Corp.") for several years regarding ABCD Corp.'s interest in acquiring NS' Rose Yard for industrial development. NS has advised ABCD Corp. that NS does not wish to sell the property at present but is aware of ABCD Corp.'s continuing interest in it.
- ABCD Corp. is currently pursuing a \$100,000 grant from the US Department of Commerce Economic Development Administration for the purpose developing a regional marketing study for Blair County and the Interstate 99 corridor. The study will include investigation of highest and best use of the HCS in addition to a targeted marketing effort for the Interstate 99 corridor. Norfolk Southern provided ABCD Corp. a grant of \$50,000 in last year to assist with the fifty-percent local match requirement for the EDA funds.
- During May 2002, an industry contacted NS about leasing a portion of HCS. The NS mechanical, industrial development and other departments are proceeding to explore issues related to the proposed lease arrangement.
- On June 6, 2002, the Director of NS Industrial Development issued to six national real estate brokers a request for proposals to become the exclusive listing agent to represent the HCS property. It is anticipated that these proposals will be evaluated in July with selection of a broker in August.

- On June 18, 2002, the President of NS Development and Director of NS Industrial Development met with officials of ABCD Corp. to discuss progress in the marketing of the HCS facility. ABCD Corp. has discussed the development of a local task force to aid in that effort, and NS has agreed to participate.
- On June 18, 2001, the President of NS Development and Director of NS Industrial Development met with officials of a local trucking company to explore the possible development of a rail to truck transfer facility.
- On June 21, 2002, NS' Thoroughbred Mechanical Services group announced that it had reached an agreement with General Motors (EMD) to modify, over a period of two years, 46 General Motors EMD locomotives that are in service for the Long Island Railroad.
- One June 24 and 25, 2002, Director of NS Industrial Development conducted a site tour of HCS for two real estate brokers responding to NS' request for proposals to become the exclusive listing agent.
- In response to the June 6, 2002 request for proposals discussed above, on July 10, 2002 two of the six national brokers contacted by NS forwarded to NS Industrial Development proposals to become the exclusive listing agent to represent the HCS property. Three other firms reviewed the proposal opportunity and elected not to respond with proposals, and the sixth firm was non-responsive.
- As anticipated, the Hollidaysburg Car Shops were closed on July 21, 2002. With the closure of HCS, many routine railcar maintenance items such as air hoses and brake shoes that were previously furnished to short line and regional railroads **from inventory at HCS** are now being supplied to these customers from **inventory at JLS and other points**.
- At the request of the NS Industrial Development Department, on July 23, 2002, a seventh broker specializing in the disposition of major industrial facilities presented a formal proposal for site planning consulting services, including potential site brokerage.
- Members of NS' Industrial Development and Real Estate Departments met with the two responding brokers on August 2, 2002.
- On August 21, 2002, NS' Industrial Development Director met with a private party interested in the possible purchase of the HCS.
- On August 27, 2002, NS's Industrial Development and Real Estate Departments met with the seventh broker that NS had solicited to represent the HCS.

- Following the August 21, 2002 meeting referred to above, on September 5, 2002, NS' Industrial Development Director conducted a site tour of HCS for the private party interested in the possible purchase of the HCS.
- On September 5, 2002, the first of the 46 locomotives to be modified for the Long Island Railroad under the above-referenced agreement with General Motors arrived at JLS, and the work is underway.
- On September 19, 2002, the NS Industrial Development Department was contacted by the Everett Railroad regarding the expansion of one of its existing customers in Blair County. NS Industrial Development has agreed to provide preliminary engineering services for this project, with a site meeting to follow.
- TMS contracted with the North San Diego Transit District for the remanufacture one F40 locomotive per year for five years.
- TMS contracted with the Aberdeen, Carolina & Western Railway Company for the overhaul of two GP38 locomotives and the reconstruction of one wrecked GP38 locomotive. The overhaul locomotives arrived at the JLS on September 27, 2002, and are currently in production.
- On September 24, 2002, NS Industrial Development Department participated in a site meeting with Everett Railroad regarding the expansion of facilities to serve an existing Everett Railroad customer in Blair County.
- On October 15, 2002, NS Industrial Development provided an information package regarding the HCS to the Governor's Action Team of Pennsylvania for their subsequent submission to a manufacturing company seeking a North American facility.
- NS Industrial Development provided preliminary plans to the Everett Railroad on October 15, 2002 showing proposed track changes for the customer.
- NS Industrial Development provided further revised preliminary plans to the Everett Railroad on October 29, 2002 showing proposed revised track changes for the customer.
- On November 6, 2002, NS Industrial Development provided requested follow-up information on the HCS to the Governor's Action Team.
- On November 14, 2002, NS Industrial Development Director conducted a site tour of the HCS for ABCD Corp.'s consultant, Synergy Real Estate Corporation. Synergy Real Estate Corporation is performing a marketing study as part of the project grant funding provided by the U.S. Department of Commerce, Economic Development Administration.

- **On December 3, 2002, NS Industrial Development provided requested additional follow-up information on the HCS to the Governor's Action Team.**
- **On December 16, NS Industrial Development Director conducted a site tour of the HCS for a potential investor.**

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SURFACE TRANSPORTATION BOARD

Memorandum

ENTERED
Office of the Secretary

DEC 23 1999

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Public Record



DATE: December 23, 1999

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

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

D

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 (J407)
Jacksonville, FL 32202
Phone (904) 366-4684
Fax (904) 359-1571

Danford L. Price
Assistant Vice President -
Service Measurements

December 22, 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, December 17th.

Total cars on line decreased for the fifth straight week to 265,040. Terminal dwell increased slightly from 32.6 to 33.5 hours. Overall train velocity improved from 18.3 to 18.4 miles-per-hour, a level that has shown continued improvement for five weeks.

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

Operations in the Chicago area continue to improve. During this reporting week the on-time-to-two-hours-late measure of deliveries to western carriers through Chicago moved favorable by 17 percentage points. This was reflected by better fluidity within the Chicago area.

Yards and Terminals

CSXT continues to have heavy volumes over the system and in particular the Northern Region Lines, but most yards and terminal areas are well within operational control limits. This week, nine of the fourteen terminals showed a decrease in terminal dwell hours and one remained the same.

The number of cars handled at Buffalo (Frontier) decreased and the dwell numbers were slightly improved from the previous week. CSXT continues to make good progress in our cooperative efforts with other carriers in the Buffalo Terminal to improve the regularity of interchange pickup and delivery at Frontier Yard.

Dwell hours at both Toledo Stanley and Walbridge improved 8.7% and 15.7%, respectively from the previous reporting week. Dwell hours for Willard decreased 13% from the previous reporting week on heavy car volumes, a 23% reduction in dwell hours over the last two weeks. The number of cars on hand at Albany (Selkirk) remained heavy, and the terminal dwell numbers increased slightly. Indianapolis Avon Yard's dwell numbers moved favorably for the fifth consecutive week, down almost 44% over a five week period.

Corridor Performance

In this reporting week, four of the six corridors improved performance, when compared to the previous week in the on-time-to-two-hours-late category. The best performance during the reported week was again the New Orleans to Carolinas corridor. Second-best performance was East St. Louis to the Northeast corridor. Overall, the percent of trains in the greater-than-six-hours-late category improved, decreasing by six percentage points, while the on-time-to-two-hours-late category moved favorable, increasing by ten percentage points.

Shared Areas

Daily average on hand cars decreased at Oak Island and Pavonia, while increasing at Detroit North Yard. Decreases in the East reflected a continued movement of traffic to industries. Increases at Detroit North Yard reflect moderate increases in pre-holiday activity. Overall terminal dwell time decreased from 52.2 hours the prior week to 47.5 hours.

Additional Measurements

Train Delay Metric: For 768 train starts, Train Delay totaled 979 hours for Power and 680 hours for Crew.

Train Crew Delay Metric: The percent of crews not departing within two hours of the on-duty time averaged 41% for the week, up 1% from the prior week.

Daily Crew Availability Percentage: Crew Availability Percentage averaged 78%, down 3% from the prior week. This is an expected seasonal movement.

Daily Number of Recrews Required: Of 1915 crew starts, 154 (8%) were recrews. This is favorable by 1% from the prior week.

Shared Asset Areas Train Delay Metric: SAA Train Delays averaged two trains for the South Jersey and Detroit areas. The North Jersey area averaged five trains.

Locomotives: Gross Locomotives = 4139, Average Available = 3742, and Out-of-Service Ratio = 5.8%.

Cars Offered in Interchange: averaged 60 cars daily, of which twenty-four were allocated to Norfolk Southern.

Blocked Sidings or Multiple Main Lines: Decreased forty percent, to a weekly total of eight.

On-time performance, passenger trains through Brunswick, MD: 70% for 10 AMTRAK trains (Pittsburgh - Washington). 97% for 90 MARC trains (West Virginia - Washington).

Buffalo Customer Service (Hot-Line): the customer service center received only one hot-line call, seeking assistance in tracing cars. The request was resolved.

CSXT continues to make improvements in our key operational measures. At this writing, CSXT is already experiencing lower than normal crew availability due to end of year holidays. This week CSXT will begin shutting down its operation starting Thursday night December 23rd, in order to get train crews to their homes by no later than 0700 on December 24th. It is anticipated that some start-up, i.e., dead head of crews, will occur during Sunday, the 26th in order to have regular service by Monday morning the 27th. We are continuing to monitor our customer needs during this time frame in order to protect required shipment deliveries.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	783	629	620	523	628
	Cars On Hand - Empty	510	477	591	470	666
	Cars On Hand - Total	1293	1106	1211	993	1294
	Cars Handled	494	517	490	326	554
	Dwell Hours	54.9	67.0	72.4	49.5	57.1
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	436	224	363	293	328
	Cars On Hand - Empty	337	258	451	399	477
	Cars On Hand - Total	773	482	814	692	805
	Cars Handled	503	295	353	309	518
	Dwell Hours	60.1	45.4	31.5	46.4	37.8
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	191	285	311	202	216
	Cars On Hand - Empty	142	74	108	157	104
	Cars On Hand - Total	333	359	419	359	320
	Cars Handled	240	223	418	212	283
	Dwell Hours	25.0	26.2	33.2	24.2	28.3

CSX Comments: Daily average on hand cars decreased at Oak Island and Pavonia, while increasing at Detroit North Yard. Decreases in the East reflected a continued movement of traffic to industries. Increases at Detroit North Yard reflect moderate increases in pre-holiday activity. Overall terminal dwell time decreased slightly from 52.2 hours the prior week to 47.5 hours.

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99
North Jersey SAA	Number of Originations	14	22	21	24	21
	% Ontime	57%	59%	57%	50%	33%
	% Late 0-2 Hours	21%	18%	10%	17%	24%
	% Late 2-4 Hours	7%	5%	24%	13%	14%
	% Late 4-6 Hours	7%	14%	5%	8%	5%
	% Late GT 6 Hours	7%	5%	5%	13%	24%
South Jersey SAA	Number of Originations	9	7	9	8	10
	% Ontime	22%	14%	22%	38%	30%
	% Late 0-2 Hours	0%	14%	22%	38%	0%
	% Late 2-4 Hours	44%	29%	11%	13%	10%
	% Late 4-6 Hours	11%	14%	11%	0%	10%
	% Late GT 6 Hours	22%	29%	33%	13%	50%
Detroit SAA	Number of Originations	7	7	8	7	7
	% Ontime	43%	43%	50%	57%	29%
	% Late 0-2 Hours	14%	14%	25%	14%	0%
	% Late 2-4 Hours	0%	43%	0%	0%	43%
	% Late 4-6 Hours	14%	0%	0%	0%	0%
	% Late GT 6 Hours	29%	0%	25%	29%	29%

CSX Comments: Reported road train delay for crew and power increased over the prior week. 27 trains were delayed for unavailable crews. 13 trains were delayed for power. 5 originating trains were delayed due to late arrivals.

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Average
Cars Offered	NS	122	0	0	0	0	24
	All Other	65	35	43	35	0	36
	Total	187	35	43	35	0	60

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 Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Total
Blocked	Sidings	1	0	0	0	0	1
	Multiple Main Lines	0	1	1	0	0	2
	Total	1	1	1	0	0	3

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

CSXT On Time Passenger Train Performance

"Brunswick Line"

Between West Virginia/Washington, DC

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Service	Measure	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	50%	100%	50%	50%	100%	70%
MARC	Trains	18	18	18	18	18	90
	% On Time	94%	100%	100%	89%	100%	97%

AMTK measured according to contract with CSXT.

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

CSXT Train Crew Delay

	Causes of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Terminal	Trains / Hours	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Total
Baltimore	Train Crew Starts	17	18	15	15	13	15	16	109
	Crews Delayed +2 Hours	8	10	10	9	6	12	7	62
	% Delayed +2 Hours	47%	56%	67%	60%	46%	80%	44%	57%
Buffalo	Train Crew Starts	36	39	31	43	43	40	39	271
	Crews Delayed +2 Hours	7	16	12	17	13	10	12	87
	% Delayed +2 Hours	19%	41%	39%	40%	30%	25%	31%	32%
Chicago	Train Crew Starts	23	28	32	24	25	26	24	182
	Crews Delayed +2 Hours	11	9	8	6	13	16	6	69
	% Delayed +2 Hours	48%	32%	25%	25%	52%	62%	25%	38%
Cincinnati	Train Crew Starts	27	30	34	29	33	39	40	232
	Crews Delayed +2 Hours	14	12	17	9	22	17	9	100
	% Delayed +2 Hours	52%	40%	50%	31%	67%	44%	23%	43%
Cleveland	Train Crew Starts	14	18	16	22	25	21	21	137
	Crews Delayed +2 Hours	9	5	8	7	10	8	10	57
	% Delayed +2 Hours	64%	28%	50%	32%	40%	38%	48%	42%
Cumberland	Train Crew Starts	29	23	28	33	33	34	31	211
	Crews Delayed +2 Hours	8	6	9	13	-	8	4	53
	% Delayed +2 Hours	28%	26%	32%	39%	15%	24%	13%	25%
Detroit	Train Crew Starts	6	5	4	5	5	5	7	37
	Crews Delayed +2 Hours	3	3	0	0	1	0	0	7
	% Delayed +2 Hours	50%	60%	0%	0%	20%	0%	0%	19%
Philadelphia	Train Crew Starts	9	6	8	5	4	5	11	48
	Crews Delayed +2 Hours	5	1	3	1	1	1	7	19
	% Delayed +2 Hours	56%	17%	38%	20%	25%	20%	64%	40%
Selkirk	Train Crew Starts	27	28	22	30	33	27	27	194
	Crews Delayed +2 Hours	11	19	15	14	16	11	16	102
	% Delayed +2 Hours	41%	68%	68%	47%	48%	41%	59%	53%
Toledo	Train Crew Starts	22	34	24	26	30	27	25	188
	Crews Delayed +2 Hours	16	14	9	15	19	22	18	113
	% Delayed +2 Hours	73%	41%	38%	58%	63%	81%	72%	60%
Willard	Train Crew Starts	34	44	34	40	43	44	33	272
	Crews Delayed +2 Hours	9	12	12	20	24	19	12	108
	% Delayed +2 Hours	26%	27%	35%	50%	56%	43%	36%	40%

Daily number of train crew starts from selected yards or terminals and the number of those originating train crews that were delayed in those yards or terminals for two hours or more after going on-duty. The percentage of those delayed starts.

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

CSXT Train Delay - Northern Region Lines

	Cause of Delay	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Trains / Hours	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Total
Train Delay	Originating Train Starts	112	115	112	96	110	114	109	768
	Delayed Hours - Power	227	32	15	131	152	197	225	979
	Delayed Hours - Crews	197	202	90	37	19	16	119	680

Daily number of originating train starts on the Northern Region and the hours delayed due to lack of power and crew of those originating train crews. The delayed train starts will be broken down between power and crew delayed hours.

Daily Crew Availability Percentage - Northern Region Lines

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Crew Availability	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Average
Crew Availability	% Available	78%	76%	77%	79%	79%	79%	79%	78%

Daily percentage of CSXT road train crews that are available for work on the Northern Region Lines.

Daily Number of Train Crew Starts and Recrews Required

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Crew/Recrews	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Total
Crews/Recrews	Train Crew Starts	287	269	237	266	288	283	285	1915
	Recrews	32	15	21	19	24	23	20	154
	% Recrewed	11%	6%	9%	7%	8%	8%	7%	8%

Daily number of CSXT road train crew starts, the number of recrews and percentage of recrews for the Northern Region Lines.

Surface Transportation Board

Performance Measures

For the week ending: 12/17/99

CSXT Locomotive Fleet Condition

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotives	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Average
Locomotives	Gross Fleet Size	4136	4147	4159	4134	4120	4142	4133	4139
	Avg. Number Available	3758	3716	3761	3743	3721	3748	3749	3742
	OOS Ratio	5.3	5.7	6.1	5.6	6.0	5.8	5.8	5.8

The measure for Gross Fleet will consist of CSX owned, leased, and foreign locomotives on-line. The Average Number Available will be the number of net fleet available to move traffic. The Out-of-Service Ratio (OOS) is the ratio of CSXT owned locomotives not available.

Shared Asset Areas Train Delay

		Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Shared Area	12/11/99	12/12/99	12/13/99	12/14/99	12/15/99	12/16/99	12/17/99	Average
Train Delay	Philadelphia/South Jersey	2	1	0	3	2	1	3	2
	North Jersey	5	2	4	9	2	7	4	5
	Detroit	4	4	1	1	1	0	1	2

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification. The measure will be a composite of CSX and NS trains.

George A. Aspatore
General Solicitor

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

December 22, 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 December 17, 1999, enclosed are schedules reporting Train Origination Performance, Yard Performance, and Trains Held in the Shared Assets Areas. Also enclosed is a schedule showing a daily snapshot of NS Cars Offered in Interchange but not Accepted, NS Blocked Sidings and Multiple Main Lines, and our Locomotive Fleet Statistics. This schedule also includes NS Northern Region Train Starts and Delays that are not limited to a snapshot period.

Another schedule incorporated into this transmittal shows NS Crew Starts and Delays, NS Northern Region Daily Crew Availability Percentage, and NS Northern Region Crew Starts and Recrews.

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.
December 22, 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

December 22, 1999

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

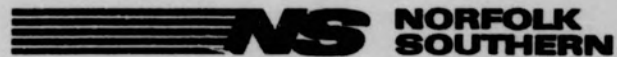
Dear Mr. Clemens:

This week's report does not show any significant changes in Norfolk Southern operations as compared to the previous report. Generally, our system performance continues to reflect the improvements that have been made over the past several weeks. As traffic volumes have increased after the Thanksgiving holiday, average train speed declined slightly and overall average terminal dwell time rose, while cars on line showed only a very slight increase. On the other hand, average days on line figures for freight cars were at a 13-week low. Altogether, performance measures remain within a satisfactory range, and NS operations are fluid. On the monitored corridors and Chicago gateway operations, 115 trains were held for terminal congestion, 48 trains were held for crews, and 20 trains were held for power.

With respect to our customer service hotline in Buffalo, three new calls were received, all of which were resolved. One other outstanding matter was resolved, leaving none pending.

In the Shared Assets Areas, lack of power resulted in 13 trains being delayed for 168 hours, while 27 trains were held for 308 hours awaiting crews. Additionally, five originating trains were delayed for 57 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 82% of the train delay hours in the SAAs.

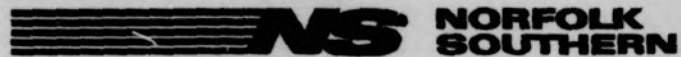
Sincerely,



For the week ending 12/17/99

Shared Asset Train Origination Performance

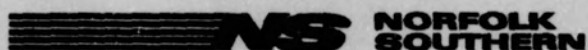
location	date	Trains	On time	0-2 hours late	2-4 hours late	4-6 hours late	6+ hours late
Detroit Total	12/13/99	7	43%	14%	0%	14%	29%
	12/14/99	7	43%	14%	43%	0%	0%
	12/15/99	8	50%	25%	0%	0%	25%
	12/16/99	7	57%	14%	0%	0%	29%
	12/17/99	7	29%	0%	43%	0%	29%
Detroit Total		36	44%	14%	17%	3%	22%
North Jersey Total	12/13/99	14	57%	21%	7%	7%	7%
	12/14/99	22	59%	18%	5%	14%	5%
	12/15/99	21	57%	10%	24%	5%	5%
	12/16/99	24	50%	17%	13%	8%	13%
	12/17/99	21	33%	24%	14%	5%	24%
North Jersey Total		102	51%	18%	13%	8%	11%
South Jersey Total	12/13/99	9	22%	0%	44%	11%	22%
	12/14/99	7	14%	14%	29%	14%	29%
	12/15/99	9	22%	22%	11%	11%	33%
	12/16/99	8	38%	38%	13%	0%	13%
	12/17/99	10	30%	0%	10%	10%	50%
South Jersey Total		43	26%	14%	21%	9%	30%
Grand Total		181	44%	16%	15%	7%	18%



For the week ending 12/17/99

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	12/13/99	850	142	191	333	240	25.0
	12/14/99	850	74	285	359	223	26.2
	12/15/99	850	108	311	419	418	33.2
	12/16/99	850	157	202	359	212	24.2
	12/17/99	850	104	216	320	283	28.3
North Yard MI Average		850	117	241	358	275	28.2
Oak Island NJ	12/13/99	1200	510	783	1293	494	54.9
	12/14/99	1200	477	629	1106	517	67.0
	12/15/99	1200	591	620	1211	490	72.4
	12/16/99	1200	470	523	993	326	49.5
	12/17/99	1200	666	628	1294	554	57.1
Oak Island NJ Average		1200	543	637	1179	476	60.9
Pavonia NJ	12/13/99	900	337	436	773	503	60.1
	12/14/99	900	258	224	482	295	45.4
	12/15/99	900	451	363	814	353	31.5
	12/16/99	900	399	293	692	309	46.4
	12/17/99	900	477	328	805	518	37.8
Pavonia Average		900	384	329	713	396	44.8

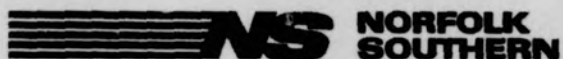


For the week ending 12/17/99

Shared Asset Area Trains Held

area	Sat 11-Dec	Sun 12-Dec	Mon 13-Dec	Tue 14-Dec	Wed 15-Dec	Thu 16-Dec	Fri 17-Dec	Grand Total
North Jersey	5	2	4	9	4	2	7	33
South Jersey	2	1		3	3	2	1	12
Detroit	4	4	1	1	1	1		12

Daily number of outbound trains ready for departure that are held for line haul carriers in each of the shared asset areas for more than one hour after notification.



NS Cars Offered in Interchange but not Accepted

offered	Monday	Tuesday	Wednesday	Thursday	Friday	total
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 Northern Region Train Starts and Delays

	Saturday 11-Dec	Sunday 12-Dec	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	Grand Total
# of Train Starts	175	161	170	187	181	183	182	1244
Delay Cause								
Crew Delays (hrs)	30.4	0.0	13.7	10.2	7.5	62.4	5.8	130.0
Power Delays (hrs)	183.0	96.3	117.0	105.8	72.8	179.9	208.4	963.2

The delay numbers are expressed in hours

NS Blocked Sidings and Multiple Main Lines

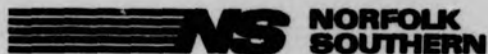
track	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	total
Multiple Main	3	2	2	3	8	18
Siding	0	0	0	1	2	3
Grand Total	3	2	2	4	10	21

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

Locomotive Fleet Statistics

	Saturday 11-Dec	Sunday 12-Dec	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	average
Fleet Size	3725	3718	3711	3717	3701	3717	3774	3723
available	3499	3481	3463	3509	3500	3520	3577	3507
out of service %	6.1%	6.4%	6.7%	5.6%	5.4%	5.3%	5.2%	5.8%

Snapshot taken at midnight
Fleet size is all locomotives on line. Includes owned, leased and foreign.



NS Crew Starts and Delays

		Saturday 11-Dec	Sunday 12-Dec	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	Grand Total
Allentown	crew starts	10	13	17	17	19	15	20	111
	crews delayed	4	2	2	5	5	5	5	28
Bellevue	crew starts	44	50	47	42	44	55	46	328
	crews delayed	15	18	15	14	15	20	19	116
Buffalo	crew starts	15	18	25	24	28	25	23	158
	crews delayed	5	5	4	3	7	8	4	36
Chicago	crew starts	38	33	30	34	38	33	37	243
	crews delayed	18	9	11	13	17	11	20	99
Cincinnati	crew starts	35	34	35	36	34	31	35	240
	crews delayed	12	18	16	12	13	11	11	93
Cleveland	crew starts	20	18	23	22	25	21	20	149
	crews delayed	7	7	5	10	12	12	6	59
Conway	crew starts	54	46	45	46	55	50	51	347
	crews delayed	15	14	13	12	22	13	13	102
Detroit	crew starts	22	13	21	23	24	21	25	149
	crews delayed	6	5	3	8	7	6	11	46
Elkhart	crew starts	35	36	34	39	43	37	38	262
	crews delayed	10	11	13	9	15	16	13	87
Harrisburg	crew starts	56	46	45	51	58	60	60	376
	crews delayed	17	9	15	22	19	20	17	119
Toledo	crew starts	61	59	47	51	57	55	44	374
	crews delayed	11	13	5	14	8	14	14	79

Notes:

Data source is T&E employees' "End of Trip" reporting

A summary of all "E-O-T's" where departure time is reported as two or more hours after time crew ordered.

Includes all trains for location, whether originating or run-through.

A delayed crew is one delayed two hours or more after coming on duty

NS Northern Region Daily Crew Availability Percentage

	Saturday 11-Dec	Sunday 12-Dec	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	average
availability%	78%	76%	77%	78%	79%	79%	79%	78%

Notes:

A "snapshot" of percent of Train and Engineman available at approximately 5:00 AM

NS Northern Region Crew Starts and Recrews

	Saturday 11-Dec	Sunday 12-Dec	Monday 13-Dec	Tuesday 14-Dec	Wednesday 15-Dec	Thursday 16-Dec	Friday 17-Dec	Grand Total
crew starts	366	339	349	347	392	373	360	2526
recrews	45	49	34	52	53	63	48	344

Notes:

A summary of trains ordered by field transportation using relief crew (recrew) train symbol

Does not include recrews/trains pulled into terminals by yard crews or road crews called and used in regular service

STB

FD

33388

12-07-99

D

196176

SURFACE TRANSPORTATION BOARD

Memorandum

ENTERED
Office of the Secretary


DEC - 8 1999

Part of
Public Record

DATE: December 7, 1999



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

FROM :  Mel Clemens, Director
Office of Compliance and Enforcement

D

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

David A. Snelton
Attorney

(757) 629-2834
fax (757) 629-2897
E-mail: david.shelton@nscorp.com

December 7, 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,

Enclosed is Norfolk Southern's Monitoring Report dated November 30, 1999. Please let me know if you need any additional information.

Sincerely,

Enclosure

Norfolk Southern Corporation

STB Operational Monitoring Report

As of November 30, 1999

Reporting Requirement	Page
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Item 14. Labor Task Forces.....	2

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 November 30, 1999

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 November 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 Const	Complete Complete
Allentown - Reading	PA	Traffic Control System	Signal	Design	In progress
	PA	Estimated Completion Date: 4Q00		Const	
Angola	NY	Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const	Complete
				Design Const	Complete Complete
Ashtabula	OH	Construct connection track Estimated Completion Date: 1Q00	Track	Design	Complete
				Const	In progress
			Signal	Const	In progress
Attica	IN	Extend siding 4,580 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete Complete
Boundbrook	NJ	Extend siding 15,000 track feet Estimated Completion Date: 1Q00	Track	Design	Project being defined.
				Grading	
				Const	
Bristol	VA	Extend siding 14,255 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const	Complete
				Design Const	Complete 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	Track	Const	Complete
		Estimated Completion Date: Complete			

Surface Transportation Board Operational Monitoring Report

As of November 30, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

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

Surface Transportation Board Operational Monitoring Report

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CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Erie	PA	Erie Track Realign Project Estimated Completion Date: 4Q00	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	
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		In progress
			Track	Design Grading Const	Complete
			Signal	Design Const	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
	PA				In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete
					Complete
			Signal	Design Const	Complete
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design Const	Complete
	TN		Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete
					Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete

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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
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
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	
Piney Flats	TN	Extend siding 6,610 feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
Port Reading	NJ	Chemical Coast Clearance Projects Estimated Completion Date: 4Q99	Track	Design	Complete
				Const	In progress
Rader	TN	Extend siding 5,189 feet Estimated Completion Date: Complete	Land		Complete
Reading - Philadelphia	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Design	Complete
				Const	
Riverton Jct - Roanoke	VA	Clearance projects Estimated Completion Date: Complete	Bridge	Design	Complete
				Const	Complete
Sandusky (Bellevue)	OH	Construct Triple Crown Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
				Const	Complete
			Building		

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CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Sandusky-Columbus	OH Double track: S 13.60 – S 26.00 Estimated Completion Date: 1Q00	Track	Design	Complete
			Grading	Complete
		Signal	Const	In progress
			Design	Complete
Sandusky-Columbus	OH Double track: S 31.20 – S 43.10 Estimated Completion date: 2Q00	Track	Design	In progress
			Grading	In progress
		Signal	Const	In progress
			Design	In progress
Sandusky-Columbus	OH Double track: S 88.20 – S 95.60 Estimated Completion Date: 1Q00	Track	Design	In progress
			Grading	Complete
		Signal	Const	In progress
			Design	In progress
Sidney	IL Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
Sido	MO Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Bridge	Const	Complete
			Design	Complete
Sloan	IL Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
Southern Tier	NY Southern Tier Rehabilitation Estimated Completion Date: 2Q00	Track	Design	Project being defined.
		Bridge	Const	In progress
			Const	
St. Louis (Mitchell)	MO Expand Mitchell Triple Crown Terminal Estimated Completion Date: 4Q99	Track	Design	Complete
		Signal	Grade/Pave	In progress
			Design	Complete
Toledo	OH Intermoda. Terminal Estimated Completion Date: 2Q00	Track	Const	In progress
Tolono	IL Track Connection Estimated Completion Date: 4Q99	Track	Design	Project being defined.
			Grade/Pave	
		Signal	Design	Complete
			Const	Complete

Surface Transportation Board Operational Monitoring Report

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CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Vermillion	OH Track Connection Estimated Completion Date: Complete	Land Track		Complete
			Design	Complete
			Grading	Complete
		Signal	Const	Complete
			Design	Complete
			Const	Complete
Wabash	IN Construct connection track Estimated Completion Date: Complete	Track	Const	Complete
		Signal	Design	Complete
			Const	Complete

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

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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	Complete
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

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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
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.

Note: The Board has asked NS to report on any IT efforts relative to the Southern Tier and the Buffalo area. Although there are no initiatives tailored to a specific area, NS is putting particular emphasis on IT issues systemwide and continues to address them with the rollout of the Thoroughbred Yard Enterprise System and the Train Information System, continued monitoring and refining of the NS data system's interaction with the Shared Assets Area systems, and daily monitoring of information quality. These efforts will improve service throughout the NS network, including of course the Southern Tier and the Buffalo area.

Surface Transportation Board Operational Monitoring Report

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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, and a menu selection feature has been added to direct calls for faster handling. 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

Training stations remain in place 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. Eight new positions **were** added to the Customer Service Center in November, **including** four supervisory positions in the new Problem Resolution Group. The other four positions **are** Customer Service Representatives assigned to the Commodity Teams in the National Customer Service Center.

Customer Awareness

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to hold meetings and make numerous 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.

R.J. Haulter
Assistant Vice President-Integration Planning

December 1, 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 1
Construction and Other Capital Projects Table	Pages 2-3
Construction and Capital Efforts Impacting Buffalo Area	Page 4
Information Technology	Pages 5-8
Information Technology Efforts Impacting Buffalo Area	Pages 9-10
Customer Service	Pages 11-12
Training	Page 13

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. Shudtz, Vice President
Law & General Counsel

Paul R. Hitchcock - J150
Senior Counsel

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

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LABOR

Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached. Accordingly, the requirement provided for in Paragraph 1 on page 162, of STB Decision No. 89 issued in Finance Docket No. 33388 has concluded.

Labor Management Task Force

CSXT has 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. CSXT has held labor task force meetings with a number of its unions. CSXT will hold additional meetings, as the need arises. CSXT also will continue its effort to have frequent communications with its unions to guarantee that problems which may still arise with respect to the implementation of the transaction receive prompt attention.

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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) 4Q 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

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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 November 30, 1999

Construction and Capital Efforts Impacting Buffalo Area

By the end of 1999, CSXT will have made capital expenditures of about \$2.3 million in the Buffalo area. This includes expenditures for intermodal ramp expansion, rail relay in yards and on the mainline, improvements to the BIDS facility and in mechanical shop improvements. All of these investments are specifically aimed at improving customer service and transportation efficiency. In addition, CSXT is spending \$7.5 million between Buffalo and Philadelphia to improve the capacity and speed of the CSXT lines linking Buffalo to the metropolitan centers of the east coast.

STB OPERATIONAL MONITORING REPORT

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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 November 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<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>The TECS desk roll-out is still on schedule.</p> <p>All desks have been cut over to TECS.</p> <p>Paperless payroll training is scheduled to be complete Dec 14, 1999</p>	<p>CSX Payroll officers will train T&E 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>
Transportation Car Management and Movement	<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>Toledo Stanley Yard was cut-over to CSX systems July 27th.</p> <p>Indianapolis Field Roll-Out was successfully cut-over on Oct 11.</p> <p>Next Field Roll-Out scheduled for January 2000.</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> <p>Training for next Field Roll-out began 11/1.</p>

STB OPERATIONAL MONITORING REPORT

As of November 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Locomotive Management	<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 was transitioned to the Kenneth Dufford Center in Jacksonville, FL on July 12, 1999.</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 November 30, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Train Dispatching	<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 : Albany, Indianapolis & Philadelphia complete. Dearborn Division started. Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments: Two dispatcher desks moved from Indianapolis to Dearborn on 7/27/99. Phase 2 projected to be completed with CSAO dispatcher move from Dearborn to Mt. Laurel on 8/10/99.</p> <p>All phases of the Train Dispatcher Realignment Project have been completed.</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

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Information Technology Efforts Impacting Buffalo Area

The Board has asked CSX to include in this month's technology report a brief discussion of information technology efforts as they affect the Buffalo area. Information Technology applications tend to be, by nature, "system wide" although of course, localized factors, particularly in work procedures, can have localized effects. In the Conrail integration, no localized factors were involved in the Buffalo area and there were, accordingly, no IT issues unique to Buffalo. This report outlines several issues which, although system wide, did affect the Buffalo area at earlier stages of the integration.

Prior to Split Day, CSX developed a set of measurements that made up a "scorecard" which was used to identify issues. This, in turn, was used to focus "SWAT" teams that were accountable for root cause analysis and for implementing corrective actions. There were issues that occurred following Split Day that did affect CSX's operating performance. These issues were not unique to Buffalo but would have affected Buffalo as well as all of the acquired Conrail territory. They were caused by a combination of factors, including some information technology issues, as well as process and procedural factors. The major issues included:

1) Incorrect reporting of the loaded/empty status of a car. The CSX systems, unlike Conrail's, automatically provide routing directives for empty equipment. Identifying a loaded car as empty would cause the car either to be rerouted to interchange, back to a customer, or to an empty flow regional location. Conrail's system operated differently. Despite training in how to use the new systems, some employees did not fully appreciate the new need to meticulously enter accurate data in a timely fashion. We had to reinforce the importance of this information, helping employees appreciate the impact when the information was incorrect.

2) Incorrect reporting of cars moving from terminal to terminal. The Conrail yard systems provided a function which allowed field personnel to "move" cars to different tracks or terminals. When this was done with Conrail's systems, no departure or arrival reporting was required. CSXT systems apply tighter controls on car locations and require entries into the system indicating departure and arrival. When this was not done, the car was not classed for the terminal or yard it was moving to. This did affect Buffalo where there are two yards

STB OPERATIONAL MONITORING REPORT

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Information Technology Efforts Impacting Buffalo Area Continued

within the overall Buffalo terminal. We had to reinforce the importance of properly reporting terminal/yard departures and arrivals.

3) Unlike the Conrail systems, CSX's systems class a car to a terminal based on the reporting of the departure from the prior terminal. Timely entry of departure information is much more important in the CSX systems. The importance of timely entry of yard departure information was reinforced and additional procedures were implemented.

4) There were technology issues with activation of waybills and/or old waybill information destroying the current waybill information. This caused classing, as well as routing, problems. Corrections were implemented in the Conrail systems and additional edits were implemented in the CSX systems to verify the information and 'error suspense' it for manual research and correction.

These issues were resolved during June and July. They required a combination of training, modifications to procedures and processes, and modifications and fixes to technology at both Conrail and CSX.

We continue to monitor our performance and will address any issues that may arise using the same "SWAT" team approach which proved successful in resolving prior issues.

At this point in the integration process, there are no technology issues affecting operating performance. Systems and data quality are now consistent with (and in many cases superior to) pre-split.

STB OPERATIONAL MONITORING REPORT

As of November 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 first major segment of the former Conrail territory was implemented October 11, 1999 on schedule, and is now up and running on CSX work order and yard systems. The implemented area included major terminals at Indianapolis and East St. Louis and the main line east to Ridgeway, Ohio. Also included in this area were Danville and Salem, Illinois; and Lafayette, Crawfordsville, Frankfort, and New Castle, Indiana. From a Customer Service standpoint, the transition went smoothly, with no major disruptions attributable to the systems implementation.

We are now planning for the second of about five regional areas to be cut over to CSX systems. This segment lies adjacent to the first and includes major terminals in Columbus and Cleveland, Ohio. The territory extends from west of Fort Wayne, Indiana to just west of Erie, Pennsylvania, including Columbus, Lima, Marion, and other locations in Ohio. "Lessons learned" from the first implementation are being incorporated into the new workplan.

Personnel

We plan to duplicate the training and mentoring procedures used in the first implementation when we transition the Ohio area to CSX systems. Minor adjustments will be made to the actual training and implementation procedures as we carry over what we learned from the Indianapolis/East St. Louis cut-over. Classroom training in Pittsburgh has begun, with completion planned to immediately precede the actual cut-over. As before, Contract Specialists, Command Center, and Technology Personnel will be on hand to effect the transition. In addition, mentors will be placed in the critical field locations to assist yardmasters and crews as needed.

STB OPERATIONAL MONITORING REPORT

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Customer Service Progress Report Continued

Customer Familiarization

The customer familiarization processes used previously will also be duplicated. Tariffs will be published and distributed for supplemental billing purposes, and procedures put in place to convert the records for the first 9 days of January from the Conrail to the CSX demurrage system, so the customers will see only one bill for the month. All customers will be contacted to notify them of impending changes, to include personal visits by the CSX Marketing Group. Customers will also be contacted by our Electronic Commerce Customer Integration Center to explain our EC offerings and initiatives.

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, and bill of lading submission procedures.

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

STB OPERATIONAL MONITORING REPORT

As of November 30, 1999

STB Status Submission Report on Training

Clerical Employees

Field roll-out training and coaching for the Indianapolis area was completed on October 11th. We will begin training for conversion of the Cleveland area on December 13, 1999. Additionally, a clerical trainer will be on-site the week of January 10 to support the field cut-over. There are approximately 15 clerical employees requiring training.

Train & Engine Service Employees

Field roll-out training designed for T&E employees to learn how to use and complete CSX Train Documentation was completed in the Indianapolis area on October 20, 1999. T&E field roll-out training for the Cleveland area began on November 8, 1999. There are approximately 200 employees to be trained. Classes are being conducted in the Cleveland, OH, Ft. Wayne, IN, Crestline, OH, and Marion, OH areas. This training is scheduled to be completed prior to cutover on January 10, 2000.

Field Transportation Supervisors

Field roll-out training for the Cleveland area began on November 7th. To date, 6 of the 20 Trainmasters and 2 of the 22 Yardmasters have completed training. The field roll-out training consists of applications related to train movement both in terminals/yards and on line-of-road. Currently, a Yardmaster and Trainmaster class is slated to begin on November 29th.

Crew Management

The TECS (Transportation Employees Calling System) implementation is complete. Additional TECS crew dispatcher-training, will be held beginning December 13 in Dearborn. Former Conrail crew dispatching desks are scheduled to move to Jacksonville starting January 7th. During the transition, each crew dispatcher will be scheduled for a 2 hour Crew Management Center Orientation, which includes the use of the telephone system and general rules associated with the Jacksonville Center.

Customer Service

Field roll-out training for the Cleveland area is proceeding on schedule. Students attending the first session of the training will return for a week of review and simulation one week prior to roll-out. Managers involved in this roll-out are also scheduled to attend one week of systems training. Materials have been adjusted slightly based on lessons learned from the Indianapolis cutover. Twenty of the 35 employees requiring training have completed their initial session. Training is being offered on both first and second shifts.

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SURFACE TRANSPORTATION BOARD

Memorandum

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Office of the Secretary

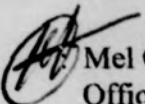
NOV 15 1999

Part of
Public Record



DATE: November 10, 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
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

November 10, 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, November 5.

The reports this week continue to indicate slower operations due to the fall traffic peak and congestion on the northwestern part of the railroad. Total cars on line increased to 269,357, driven primarily by continued high car loadings. Terminal dwell increased from 35.6 to 36.9 hours and train velocity decreased slightly from 16.6 to 16.3. 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

Congestion continues to adversely affect interchange timeliness with foreign carriers. There are continued high volumes, line-of-road congestion and scheduled maintenance of way work for all major railroads in Chicago. The Chicago Terminal continues to be an item of keen management focus by all carriers. CSX continues to build run-through trains outside of Chicago at locations like Indianapolis, Nashville, and Danville for delivery directly to foreign carriers' major yards. This is eliminating the 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. The staging strategy has been effective: average daily dwell decreased at the IHB yards; Blue Island dwell was down markedly (from 34.8 to 30.7); and Gibson was down as well (from 28.1 to 25.7 hours). Dwell numbers for Willard increased slightly, reflecting the Chicago situation, and the average daily number of cars handled was strong for the week. The terminals east of Willard, such as Connellsville and New Castle continue to build overhead trains, by-passing Willard.

The number of cars on hand at Albany (Selkirk) continued strong, but the terminal dwell numbers improved this week from 42.2 to 39.7 hours. The number of cars handled at Buffalo (Frontier) decreased, and the dwell number also decreased. The cars on hand at Chicago (Barr) continued high due to congestion, although the dwell hours increased slightly (from 33.4 to 37.4 hours). Cincinnati (Queensgate) cars on hand remained steady, but dwell hours showed an increase (from 36.6 to 38.6 hours).

In Indianapolis, Avon Yard's dwell again moved unfavorably. CSXT is continuing to concentrate on three main areas: 1) Volume. More cars are arriving at Avon than envisioned in the service plan. 2) Yard processing. The yard is being called upon to process substantially more cars than it was under Conrail. 3) Daily deficit of locomotives continues as more trains originate in Indianapolis than terminate.

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, one of the six corridors improved when compared to the previous week in the on-time-to-two-hours-late category, while two remained the same. 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 increased by seven percentage points, while the on-time-to-two-hours-late category showed unfavorable, decreasing three percentage points. The major impact on performance in the New Castle area should improve as the scheduled maintenance activity in the area was completed this week. Remote terminal areas between Willard and Cumberland have been working this week to re-establish the operating plan for the corridor.

Shared Areas

The daily averages for on-hand cars were within 2% of the prior week's volumes at Pavonia and Detroit North Yard. Oak Island showed a decrease. Overall terminal dwell time increased slightly from 41.6 hours to 42.6 hours.

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

Additional Measurements

Cars Offered in Interchange averaged 140 daily. Total Train Delay per the daily snapshot increased due primarily to congestion and availability of power. Blocked Sidings or Multiple Main Lines also increased in both categories, in part due to staging westbound trains for Chicago. Locomotive Out of Service Ratio increased slightly, with an average of 5.8%.

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 91% for 90 trains.

This report reflects performance levels that fail to meet customer and CSXT expectations for sustained operations. Our goal is to move service back to the expected level as soon as possible. However, given projected traffic volumes, improvements to overall system-wide railroad operations are anticipated to come slowly 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: 11/05/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	659	599	600	517	673
	Cars On Hand - Empty	460	470	502	637	687
	Cars On Hand - Total	1119	1069	1102	1154	1360
	Cars Handled	610	543	695	592	804
	Dwell Hours	69.5	59.5	44.8	48.5	38.4
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	305	257	205	361	478
	Cars On Hand - Empty	243	322	463	430	500
	Cars On Hand - Total	548	579	668	791	978
	Cars Handled	386	275	405	380	478
	Dwell Hours	68.1	29.6	31.8	29.6	34.7
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	192	850	258	317	200
	Cars On Hand - Empty	54	66	65	104	103
	Cars On Hand - Total	246	916	323	421	303
	Cars Handled	149	314	68	379	209
	Dwell Hours	20.7	24.1	24.4	29.0	20.5

CSX Comments: Daily average on hand cars were within 2% of the prior week's volumes at Pavonia and Detroit North Yard, and decreased at Oak Island. Overall terminal dwell time increased slightly from 41.6 hours to 42.6 hours.

Surface Transportation Board

Performance Measures

For the week ending: 11/05/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99
North Jersey SAA	Number of Originations	8	12	14	9	6
	% Ontime	25%	42%	57%	56%	100%
	% Late 0-2 Hours	50%	17%	29%	22%	0%
	% Late 2-4 Hours	0%	17%	0%	0%	0%
	% Late 4-6 Hours	0%	17%	7%	11%	0%
	% Late GT 6 Hours	25%	8%	7%	11%	0%
South Jersey SAA	Number of Originations	9	7	6	8	6
	% Ontime	0%	14%	0%	25%	17%
	% Late 0-2 Hours	22%	14%	33%	38%	33%
	% Late 2-4 Hours	11%	0%	17%	0%	17%
	% Late 4-6 Hours	11%	43%	17%	13%	17%
	% Late GT 6 Hours	56%	29%	33%	25%	17%
Detroit SAA	Number of Originations	8	7	6	2	4
	% Ontime	38%	43%	33%	100%	75%
	% Late 0-2 Hours	38%	29%	17%	0%	0%
	% Late 2-4 Hours	0%	0%	0%	0%	0%
	% Late 4-6 Hours	0%	0%	0%	0%	0%
	% Late GT 6 Hours	25%	29%	50%	0%	25%

CSX Comments: Reported train delay hours decreased significantly from the prior week. Delay hours for unavailable crews decreased 41% delaying 15 trains. Power delay hours decreased as well, delaying 14 trains, a 58% decrease from last week.

Surface Transportation Board

Performance Measures

For the week ending: 11/05/99

CSXT Cars Offered in Interchange out not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99	Average
Cars Offered	NS	139	186	139	107	126	139
	All Other	0	0	0	1	1	0
	Total	139	186	139	108	127	140

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	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99	Total
Train Delay	Crew	8	0	0	1	0	9
	Power	2	5	9	5	5	26
	Congestion/Staging	3	7	11	10	3	34
	Total	13	12	20	16	8	69

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: 11/05/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99	Total
Blocked	Sidings	2	2	2	2	1	9
	Multiple Main Lines	1	5	9	8	2	25
	Total	3	7	11	10	3	34

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	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99	Average
Locomotive OOS	OOS Ratio	6.1	5.9	5.5	5.6	5.9	5.8

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	11/01/99	11/02/99	11/03/99	11/04/99	11/05/99	Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	0%	50%	100%	0%	50%	40%
MARC	Trains	18	18	18	18	18	90
	% On Time	67%	100%	100%	100%	89%	91%

AMTK measured according to contract with CSXT.

George A. Aspatore
General Solicitor

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

November 10, 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 November 5, 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 10, 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 10, 1999

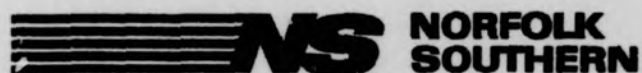
Mr. Melvin F. Clemens, Jr.
Director, Office of Compliance and Enforcement
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Clemens:

This week's report shows some improvement in a number of performance measures. In particular, cars on-line decreased as we continue to work toward our target level. Additionally, average train speed was up, and overall average terminal dwell time showed a slight reduction. On the Northern Region, train delays once again dropped compared to the previous week. All in all, Norfolk Southern's operation is fluid. On the monitored corridors and Chicago gateway operations, 116 trains were held for terminal congestion, 27 trains were held for crews, and 31 trains were held for power.

In the Shared Assets Areas, overall average dwell time showed a marginal increase, but the yards remain fluid. On hand volumes remained relatively steady at Pavonia, NJ and North Yard, MI, while they decreased at Oak Island, NJ. Lack of power resulted in 14 trains being delayed for 143 hours, while 15 trains were held for 146 hours awaiting crews. Additionally, 13 originating trains were delayed for 163 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 92% of the train delay hours in the SAAs.

Sincerely,



NS Cars Offered in Interchange but not Accepted

offered	Monday 1-Nov	Tuesday 2-Nov	Wednesday 3-Nov	Thursday 4-Nov	Friday 5-Nov	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 1-Nov	Tuesday 2-Nov	Wednesday 3-Nov	Thursday 4-Nov	Friday 5-Nov	total
Crew	1	2	0	4	2	9
Power	7	5	11	8	6	37
Yard Congestion	2	2	1	5	5	15
Total	10	9	12	17	13	61

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

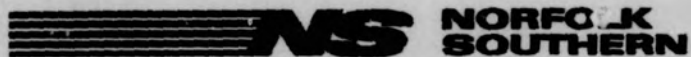
track	Monday 1-Nov	Tuesday 2-Nov	Wednesday 3-Nov	Thursday 4-Nov	Friday 5-Nov	total
Multiple Mains	2	2	1	5	2	12
Siding	1	1	0	2	3	7
Total	3	3	1	7	5	19

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

Locomotive Bad Order Ratio

	Monday 1-Nov	Tuesday 2-Nov	Wednesday 3-Nov	Thursday 4-Nov	Friday 5-Nov	week avg.
Total	6.3%	6.1%	6.2%	5.9%	5.7%	6.1%

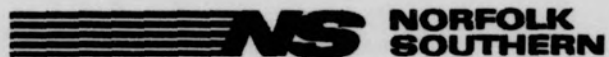
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 11/5/99

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	11/1/99	850	54	192	246	149	20.7
	11/2/99	850	66	850	916	314	24.1
	11/3/99	850	65	258	323	68	24.4
	11/4/99	850	104	317	421	379	29.0
	11/5/99	850	103	200	303	209	20.5
North Yard MI Average		850	78	363	442	224	24.7
Oak Island NJ	11/1/99	1200	460	659	1119	610	69.5
	11/2/99	1200	470	599	1069	543	59.5
	11/3/99	1200	502	600	1102	695	44.8
	11/4/99	1200	637	517	1154	592	48.5
	11/5/99	1200	687	673	1360	804	38.4
Oak Island NJ Average		1200	551	610	1161	649	51.0
Pavonia NJ	11/1/99	900	243	305	548	386	68.1
	11/2/99	900	322	257	579	275	29.6
	11/3/99	900	463	205	668	405	31.8
	11/4/99	900	430	361	791	380	29.6
	11/5/99	900	500	478	978	478	34.7
Pavonia Average		900	392	321	713	385	39.1



For the week ending 11/5/99

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	11/01/99	8	38%	38%	0%	0%	25%
	11/02/99	7	43%	29%	0%	0%	29%
	11/03/99	6	33%	17%	0%	0%	50%
	11/04/99	2	100%	0%	0%	0%	0%
	11/05/99	4	75%	0%	0%	0%	25%
Detroit Total		27	48%	22%	0%	0%	30%
North Jersey Total	11/01/99	8	25%	50%	0%	0%	25%
	11/02/99	12	42%	17%	17%	17%	8%
	11/03/99	14	57%	29%	0%	7%	7%
	11/04/99	9	56%	22%	0%	11%	11%
	11/05/99	6	100%	0%	0%	0%	0%
North Jersey Total		49	53%	24%	4%	8%	10%
South Jersey Total	11/01/99	9	0%	22%	11%	11%	56%
	11/02/99	7	14%	14%	0%	43%	29%
	11/03/99	6	0%	33%	17%	17%	33%
	11/04/99	8	25%	38%	0%	13%	25%
	11/05/99	6	17%	33%	17%	17%	17%
South Jersey Total		36	11%	28%	8%	19%	33%
Grand Total		112	45%	25%	5%	10%	24%

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SURFACE TRANSPORTATION BOARD

Memorandum

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ENTERED
Office of the Secretary

NOV 10 1999

DATE: November 10, 1999



TO : Ellen Key's, Assistant Secretary
Section of Publications/Records
Office of the Secretary

FROM : Mel Clemens, Director
Office of Compliance and Enforcement

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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 (J215)
Jacksonville, FL 32202
(904) 366-4092
FAX: (904) 359-2263

R.J. Haulter
Assistant Vice President-Integration Planning

November 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:

Letter Implementing Agreements	Page 1
Letter Task Force	Page 1
Construction and Other Capital Projects Table.....	Pages 2-3
Information Technology.....	Pages 4-7
Customer Service	Pages 8-9
Training	Pages 10

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. Shudtz, Vice President
Law & General Counsel

Paul R. Hitchcock - J150
Senior Counsel

CSX TRANSPORTATION, INC.
STB OPERATIONAL MONITORING REPORT
As of October 31, 1999

Table of Contents

The reports are presented in the following order:

Labor Implementing Agreements	Page 1
Labor Task Force	Page 1
Construction and Other Capital Projects Table.....	Pages 2-3
Information Technology.....	Pages 4-7
Customer Service	Pages 8-9
Training	Page 10

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

STB OPERATIONAL MONITORING REPORT

As of October 31, 1999

LABOR

Labor Implementing Agreements

All of the Labor Implementing Agreements have been reached. Accordingly, the requirement provided for in Paragraph 1 on page 162, of STB Decision No. 89 issued in Finance Docket No. 33388 has concluded.

Labor Management Task Force

CSXT has 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. CSXT has held labor task force meetings with a number of its unions. CSXT will hold additional meetings, as the need arises. CSXT also will continue its effort to have frequent communications with its unions to guarantee that problems which may still arise with respect to the implementation of the transaction receive prompt attention.

STB OPERATIONAL MONITORING REPORT

As of October 31, 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) 4Q 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 October 31, 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 October 31, 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 October 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<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>The TECS desk roll-out is still on schedule.</p> <p><i>All desks have been cut over to TECS.</i></p> <p><i>Paperless payroll training is scheduled to be complete Dec 14, 1999</i></p>	<p>CSX Payroll officers will train T&E 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>
Transportation Car Management and Movement	<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>Toledo Stanley Yard was cut-over to CSX systems July 27th.</p> <p><i>Indianapolis Field Roll-Out was successfully cut-over on Oct 11.</i></p> <p><i>Next Field Roll-Out scheduled for January 2000.</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> <p><i>Training for next Field Roll-out began 11/1.</i></p>

STB OPERATIONAL MONITORING REPORT

As of October 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Locomotive Management	<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 was transitioned to the Kenneth Dufford Center in Jacksonville, FL on July 12, 1999.</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 October 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Train Dispatching	<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 : Albany, Indianapolis & Philadelphia complete.</p> <p>Dearborn Division started.</p> <p>Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments: Two dispatcher desks moved from Indianapolis to Dearborn on 7/27/99.</p> <p>Phase 2 projected to be completed with CSAO dispatcher move from Dearborn to Mt. Laurel on 8/10/99.</p> <p>All phases of the Train Dispatcher Realignment Project have been completed.</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 October 31, 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 first major segment of the former Conrail territory was implemented October 11, 1999 on schedule, and is now up and running on CSX work order and yard systems. The implemented area included major terminals at Indianapolis and East St. Louis and the main line east to Ridgeway, Ohio. Also included in this area were Danville and Salem, Illinois; and Lafayette, Crawfordsville, Frankfort, and New Castle, Indiana. From a Customer Service standpoint, the transition went smoothly, with no major disruptions attributable to the systems implementation.

We are now planning for the second of about five regional areas to be cut over to CSX systems. This segment lies adjacent to the first and includes major terminals in Columbus and Cleveland, Ohio. The territory extends from west of Fort Wayne, Indiana to just west of Erie, Pennsylvania, including Columbus, Lima, Marion, and other locations in Ohio. "Lessons learned" from the first implementation are being incorporated into the new workplan.

Personnel

We plan to duplicate the training and mentoring procedures used in the first implementation when we transition the Ohio area to CSX systems. Minor adjustments will be made to the actual training and implementation procedures as we carry over what we learned from the Indianapolis/East St. Louis cut-over. Classroom training in Pittsburgh has begun, with completion planned to immediately precede the actual cut-over. As before, Contract Specialists, Command Center, and Technology Personnel will be on hand to effect the transition. In addition, mentors will be placed in the critical field locations to assist yardmasters and crews as needed.

STB OPERATIONAL MONITORING REPORT

As of October 31, 1999

Customer Service Progress Report Continued

Customer Familiarization

The customer familiarization processes used previously will also be duplicated. Tariffs will be published and distributed for supplemental billing purposes, and procedures put in place to convert the records for the first 9 days of January from the Conrail to the CSX demurrage system, so the customers will see only one bill for the month. All customers will be contacted to notify them of impending changes, to include personal visits by the CSX Marketing Group. Customers will also be contacted by our Electronic Commerce Customer Integration Center to explain our EC offerings and initiatives.

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, and bill of lading submission procedures.

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

STB OPERATIONAL MONITORING REPORT

As of October 31, 1999

STB Status Submission Report on Training

Clerical Employees

Field roll-out training and coaching for the Indianapolis area was completed on October 11th. We will begin training for conversion of the second geographic area on December 13, 1999. Additionally, a clerical trainer will be on-site the week of January 10 to support the field cut-over.

Train & Engine Service Employees

Field Roll Out training designed for T&E employees to learn how to use and complete CSX Train Documentation was completed in Indianapolis on October 20, 1999. T&E Field Roll Out training for the Great Lakes area is scheduled to begin at Cleveland, Ohio, on November 8, 1999. This training is scheduled to be completed prior to cutover on January 10, 2000.

Field Transportation Supervisors

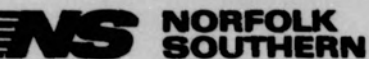
Field roll-out training for the Indianapolis area was completed on October 8th. Rollout implementation began on October 11th. Field Rollout coaching was completed on October 25th. Coaching consisted of sitting with Trainmasters and Yardmasters on the job to assist with mainframe applications relative to train movement.

Crew Management

TECS crew dispatcher training for the Dearborn crew dispatchers is complete. The final three-crew desks were converted to TECS (Transportation Employee Calling System) on October 18th. Additional TECS training will be provided for the Dearborn floor managers. A tentative schedule has been set for November 15.

Customer Service

Training for Customer Service representatives supporting the Great Lakes area began on November 1 and will run through January 7, 2000. Overall, the National Customer Service Center in Pittsburgh had a satisfactory cutover for the Indianapolis area.



Norfolk Southern Corporation
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November 4, 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,

Enclosed is Norfolk Southern's Monitoring Report dated October 31, 1999.
Please let me know if you need any additional information.

Sincerely,

Enclosure

OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTION'S OFFICE

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Norfolk Southern Corporation

STB Operational Monitoring Report

As of October 31, 1999

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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 October 31, 1999

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 October 31, 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: 4Q00		Const	
Angola	NY	Upgrade existing siding, construct new siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design	Complete
			Signal	Const	Complete
				Design	Complete
				Const	Complete
Ashtabula	OH	Construct connection track Estimated Completion Date: 1Q00	Track	Design	Complete
				Const	In progress
			Signal	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	
			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
			Signal	Const	Complete
				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: Complete	Track	Const	Complete

Surface Transportation Board Operational Monitoring Report

As of October 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

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

Surface Transportation Board Operational Monitoring Report

As of October 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Erie	PA	Erie Track Realign Project Estimated Completion Date: 4Q00	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	
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		In progress
			Track	Design Grading Const	Complete
			Signal	Design Const	In progress
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: 3Q00	Track	Design Grade/Pave	Complete
Harrisburg - Reading	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Design Const	In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: Complete	Track	Design Grading Const	Complete
			Signal	Design Const	Complete
Knoxville - Chattanooga	TN	Double Stack Clearances Estimated Completion Date: Complete	Track	Design Const	Complete
	TN		Bridge	Design	Complete
Marshfield	IN	Upgrade and extend siding 7,908 feet Estimated Completion Date: Complete	Land		Complete
			Track	Design Grading Const	Complete
					Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete

Surface Transportation Board Operational Monitoring Report

As of October 31, 1999

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
Pattensburg	NJ Clearance-9 Bridges Estimated Completion Date: Complete	Bridge	Design	Complete
			Const	Complete
Pattensburg	NJ Siding Extensions Estimated Completion Date: Complete	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
Pattensburg	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	
		Signal	Design	
Piney Flats	TN Extend siding 6,610 feet Estimated Completion Date: Complete	Land		Complete
		Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
Port Reading	NJ Chemical Coast Clearance Projects Estimated Completion Date: 4Q99	Track	Design	Complete
			Const	In progress
		Bridge	Design	Complete
Rader	TN Extend siding 5,189 feet Estimated Completion Date: Complete	Land		Complete
			Design	Complete
			Grading	Complete
		Bridge	Const	Complete
			Design	Complete
Reading - Philadelphia	PA Traffic Control System and remove pole line Estimated Completion Date: 4Q00	Signal	Const	Complete
			Design	Complete
			Const	Complete
Riverton Jct - Roanoke	VA Clearance projects Estimated Completion Date: Complete	Bridge	Design	Complete
			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 October 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Sandusky-Columbus	OH Double track: S 13.60 – S 26.00 Estimated Completion Date: 1Q00	Track	Design	In progress
			Grading	In progress
			Const	In progress
		Signal	Design Const	In progress In progress
Sandusky-Columbus	OH Double track: S 31.20 – S43.10 Estimated Completion date: 2Q00	Land		In progress
		Track	Design Grading Const	In progress
		Signal	Design Const	In progress
Sandusky-Columbus	OH Double track: S 88.20 – S 95.60 Estimated Completion Date: 1Q00	Land		In progress
		Track	Design Grading Const	In progress
		Signal	Design Const	In progress
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 Const	Complete 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		Project being defined.
		Bridge	Const Design Const	In progress
St. Louis (Mitchell)	MO Expand Mitchell Triple Crown Terminal Estimated Completion Date: 4Q99	Track	Design	Complete
			Grade/Pave	In progress
		Signal	Design Const	Complete
Toledo	OH Intermodal Terminal Estimated Completion Date: 2Q00	Track	Design Grade/Pave	Project being defined.
Tolono	IL Track Connection Estimated Completion Date: 4Q99	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design	Complete
			Const	In progress

Surface Transportation Board Operational Monitoring Report

As of October 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Vermillion	OH Track Connection Estimated Completion Date: Complete	Land Track		Complete
			Design	Complete
		Signal	Grading	Complete
			Const	Complete
			Design	Complete
Wabash	IN Construct connection track Estimated Completion Date: 4Q99	Track	Const	Complete
			Design	Complete
		Signal	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 October 31, 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.
	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	Complete
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 October 31, 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 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
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 October 31, 1999

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, **and a menu selection feature has been added to direct calls for faster handling.** 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

Training stations remain in place 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. **Eight new positions are being added to the Customer Service Center in November, four of which will be supervisory positions in a new Problem Resolution Group. The other four positions will be Customer Service Representatives assigned to the Commodity Teams in the National Customer Service Center.**

Customer Awareness

NS continues to host customer meetings to evaluate and provide feedback on the Company's planning processes and strategies. NS continues to hold meetings and make numerous 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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Little Thin Jacket . . .

STB FD-33388 10-14-99 D

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SURFACE TRANSPORTATION BOARD

Memorandum

195875

ENTERED
Office of the Secretary

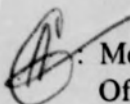
OCT 14 1999

Part of
Public Record



DATE: October 14, 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
Phone (904) 366-4684
Fax (904) 359-1705

Danford L. Price
Assistant Vice President -
Service Measurements

October 13, 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 8.

The reports this week again continue to indicate slower operations due to fall traffic peak and residual affects of Hurricane Floyd. Temporary speed restrictions related to the hurricane's impact have been reduced on the I-95 Corridor facilitating our ability to improve operations along the East Coast. Total cars on line increased to 259,859, approximately 7% more than in early June. However, more than 50% of this increase is directly due to additional traffic volume. Terminal dwell decreased slightly from 33.8 hours to 33.4 hours and train velocity increased slightly to 17.7 from 17.5.

Within the Shared Asset Areas, daily on-hand car counts remained within 2% of last week's levels at all three locations while terminal dwell for the composite of all three locations decreased by 6.2 hours. Oak Island and Pavonia continue to experience delays in departure of outbound road trains due to crew and locomotive availability.

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. Line-of-road congestion and scheduled maintenance of way work 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 four weeks. However, average daily dwell decreased

slightly at the IHB yards, Blue Island and Gibson. Dwell numbers for Willard, Ohio; continue to decrease, down to 39.2 hours from 39.5 hours reported last week.

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 a decrease, but total car volume handled remained heavy. The number of cars handled at Buffalo increased and the dwell numbers also increased. The cars on hand at Chicago (Barr) increased due to the congestion, as did the dwell hours, but incrementally less than the previous weeks. Cincinnati (Queensgate) cars on hand increased but dwell hours showed a slight decrease.

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, one of the six corridors improved when compared to the previous week in the on-time-to-two-hours-late category, while one remained the same. The best performance during the reported week was the New Orleans to Carolinas corridor. Second best performance was the I-95 corridor, which was severely affected by the hurricane. Overall, the percent of trains in the greater-than-six-hours-late category showed an unfavorable increase of three percentage points, and the percentage of trains in the on-time-to-two-hours-late category also showed unfavorable movement, decreasing.

Shared Areas

Daily average on-hand car counts remained within 2% of last week's level at all three locations, reflecting continued operational recovery from Hurricane Floyd coupled with emergent peak season traffic volumes. All volumes remained within either expected norms or prior observed levels. Overall terminal dwell time decreased by 6.2 hours. Oak Island and Pavonia continue to experience delays in the departure of outbound road trains.

Reported road train delay hours increased over the prior week. Crew delays remained fairly constant while power delays increased 16% over last week's reporting.

Additional Measurements

Cars Offered in Interchange decreased to a daily average of 57. This was less than the number reported in the prior week. Total Train Delay per the daily snapshot again increased because of crew and locomotive availability, with the higher traffic volumes. Blocked Sidings or Multiple Main Lines increased to a total of 28. all on main lines. Locomotive Out of Service Ratio increased with an average of 5.8%.

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 50% for 10 trains, and MARC train performance was at 97% for 90 trains. MARC had the best week since the reporting was started

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 that we 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: 10/08/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	691	704	799	910	810
	Cars On Hand - Empty	595	468	638	695	802
	Cars On Hand - Total	1286	1172	1437	1605	1612
	Cars Handled	548	295	724	466	602
	Dwell Hours	65.3	61.8	53.7	52.0	49.8
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	468	308	459	435	464
	Cars On Hand - Empty	452	245	357	473	444
	Cars On Hand - Total	920	553	816	908	908
	Cars Handled	436	335	355	384	374
	Dwell Hours	61.8	41.6	37.9	42.0	40.1
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	177	218	232	339	248
	Cars On Hand - Empty	56	108	84	84	73
	Cars On Hand - Total	233	326	316	423	321
	Cars Handled	103	261	110	305	151
	Dwell Hours	25.8	14.1	49.2	23.2	21.4

CSX Comments: Daily average on hand car counts remained within 2% of last week's levels at all three locations, reflecting continued operational recovery from Hurricane Floyd coupled with emergent peak season traffic volumes. All volumes remained within either expected norms or prior observed levels. Overall terminal dwell time decreased from 52.9 hours to 46.7 hours. Oak Island and Pavonia continue to experience delays in the departure of outbound road trains.

Surface Transportation Board

Performance Measures

For the week ending: 10/08/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99
North Jersey SAA	Number of Originations	11	19	14	17	6
	% Ontime	36%	37%	43%	53%	33%
	% Late 0-2 Hours	27%	21%	14%	6%	50%
	% Late 2-4 Hours	18%	16%	7%	12%	0%
	% Late 4-6 Hours	9%	5%	21%	18%	17%
	% Late GT 6 Hours	9%	21%	14%	12%	0%
South Jersey SAA	Number of Originations	7	7	7	8	6
	% Ontime	14%	29%	14%	25%	17%
	% Late 0-2 Hours	14%	29%	43%	13%	17%
	% Late 2-4 Hours	0%	29%	14%	25%	17%
	% Late 4-6 Hours	29%	0%	14%	13%	17%
	% Late GT 6 Hours	43%	14%	14%	25%	33%
Detroit SAA	Number of Originations	5	5	7	8	5
	% Ontime	40%	40%	29%	63%	40%
	% Late 0-2 Hours	40%	60%	43%	13%	60%
	% Late 2-4 Hours	0%	0%	0%	0%	0%
	% Late 4-6 Hours	0%	0%	14%	25%	0%
	% Late GT 6 Hours	20%	0%	14%	0%	0%

CSX Comments: Reported road train delay hours increased over the prior week. Crew delays remained fairly constant at 13 trains delayed for 183 hours. Power delays hours increased 16% over last week delaying 19 trains. 8 originating trains were delayed for 68 hours due to late arrivals from CSXT and/or NS.

Surface Transportation Board

Performance Measures

For the week ending: 10/08/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99	Average
Cars Offered	NS	1	1	1	159	72	47
	All Other	32	20	0	0	0	10
	Total	33	21	1	159	72	57

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	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99	Total
Train Delay	Crew	3	9	3	4	5	24
	Power	0	1	1	1	2	5
	Congestion/Staging	2	4	5	8	9	28
	Total	5	14	9	13	16	57

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: 10/08/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99	Total
Blocked	Sidings	0	0	0	0	0	0
	Multiple Main Lines	2	4	5	8	9	28
	Total	2	4	5	8	9	28

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	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99	Average
Locomotive OOS	OOS Ratio	5.7	5.4	5.7	6.0	6.1	5.8

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	10/4/99	10/5/99	10/6/99	10/7/99	10/8/99	Average
AMTK	Trains	2	2	2	2	2	10
	% On Time	0%	100%	0%	50%	100%	50%
MARC	Trains	18	18	18	18	18	90
	% On Time	100%	83%	100%	100%	100%	97%

AMTK measured according to contract with CSXT.

George A. Aspatore
General Solicitor

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

October 13, 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 8, 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 13, 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 13, 1999

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

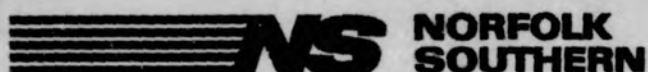
Dear Mr. Clemens:

This week's report does not indicate a significant change in NS performance as compared to the previous one, notwithstanding the final dissipation of effects on performance attributable to the impact of last month's severe weather on the New Jersey area. Although cars on-line showed an increase from the prior week, average train speed held constant. Average terminal dwell time also remained virtually the same, showing only a marginal increase. Given the strong seasonal traffic volume being handled, the measures indicate sustained fluidity on the system. On the monitored corridors and Chicago gateway operations, 104 trains were held for terminal congestion, 41 trains were held for crews, and 33 trains were held for power.

In the Shared Assets Areas, repairs to flood-damaged systems in New Jersey have been completed. On-hand volumes at all three SAA yards remained relatively steady from week to week, driven by operational recovery from the weather effects as well as peak season traffic. However, overall average terminal dwell time decreased noticeably. In general, the SAA yards remained fluid. Lack of power resulted in 19 trains being delayed for 212 hours, while 13 trains were held for 183 hours awaiting crews. Additionally, eight originating trains were delayed for 68 hours due to late arrivals from CSXT and/or NS. Together, these causes account for about 82% of the train delay hours in the SAAs.

As we proceed into October, NS will continue to meet the customary challenges presented by the strong traffic volumes of the season.

Sincerely,



NS Cars Offered in Interchange but not Accepted

offered	Monday 4-Oct	Tuesday 5-Oct	Wednesday 6-Oct	Thursday 7-Oct	Friday 8-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 4-Oct	Tuesday 5-Oct	Wednesday 6-Oct	Thursday 7-Oct	Friday 8-Oct	total
Crew	9	8	11	4	2	34
Power	7	9	7	7	8	38
Yard Congestion	17	18	21	25	30	111
Total	33	35	39	36	40	183

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 4-Oct	Tuesday 5-Oct	Wednesday 6-Oct	Thursday 7-Oct	Friday 8-Oct	total
Multiple Mains	18	11	17	16	14	76
Siding	3	9	3	1	10	26
Total	21	20	20	17	24	102

Snapshot taken between 2:00 and 3:00 each day

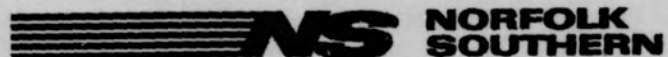
NS acquired territory only

Locomotive Bad Order Ratio

	Monday 4-Oct	Tuesday 5-Oct	Wednesday 6-Oct	Thursday 7-Oct	Friday 8-Oct	week avg.
Total	N/A	5.6%	5.2%	5.1%	5.4%	5.3%

Snapshot taken at midnight

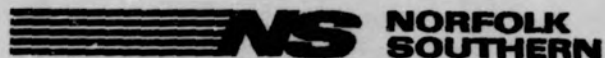
Does not include locomotives leased out or stored



For the week ending 10/8/99

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	10/4/99	850	56	177	233	103	25.8
	10/5/99	850	108	218	326	261	14.1
	10/6/99	850	84	232	316	110	49.2
	10/7/99	850	84	339	423	305	23.2
	10/8/99	850	73	248	321	151	21.4
North Yard MI Average		850	81	243	324	186	23.7
Oak Island NJ	10/4/99	1200	595	691	1286	548	65.3
	10/5/99	1200	468	704	1172	295	61.8
	10/6/99	1200	638	799	1437	724	53.7
	10/7/99	1200	695	910	1605	466	52.0
	10/8/99	1200	802	810	1612	602	49.8
Oak Island NJ Average		1200	640	783	1422	527	55.8
Pavonia NJ	10/4/99	900	452	468	920	436	61.8
	10/5/99	900	245	308	553	335	41.6
	10/6/99	900	357	459	816	355	37.9
	10/7/99	900	473	435	908	384	42.0
	10/8/99	900	444	464	908	374	40.1
Pavonia Average		900	394	427	821	377	45.4



For the week ending 10/8/99

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	10/04/99	5	40%	40%	0%	0%	20%
	10/05/99	5	40%	60%	0%	0%	0%
	10/06/99	7	29%	43%	0%	14%	14%
	10/07/99	8	63%	13%	0%	25%	0%
	10/08/99	5	40%	60%	0%	0%	0%
Detroit Total		30	43%	40%	0%	10%	7%
North Jersey Total	10/04/99	11	36%	27%	18%	9%	9%
	10/05/99	19	37%	21%	16%	5%	21%
	10/06/99	14	43%	14%	7%	21%	14%
	10/07/99	17	53%	6%	12%	18%	12%
	10/08/99	6	33%	50%	0%	17%	0%
North Jersey Total		67	42%	19%	12%	13%	13%
South Jersey Total	10/04/99	7	14%	14%	0%	29%	43%
	10/05/99	7	29%	29%	29%	0%	14%
	10/06/99	7	14%	43%	14%	14%	14%
	10/07/99	8	25%	13%	25%	13%	25%
	10/08/99	6	17%	17%	17%	17%	33%
South Jersey Total		35	20%	23%	17%	14%	26%
Grand Total		132	38%	27%	11%	14%	17%

STB FD-33389 8-12-99 ID-195302 D

SURFACE TRANSPORTATION BOARD

Memorandum

195302

ENTERED
Office of the Secretary

AUG 12 1999

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	49
	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)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99	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)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Locomotive	8/2/99	8/3/99	8/4/99	8/5/99	8/6/99	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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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

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:

This week's performance measures show greater stability on our system. Car loadings continued the general increase observed last week, and the yards nevertheless are maintaining fluidity as they process the increased traffic. This stability is reflected in various categories of the reported data, including overall terminal dwell time, cars on line, and average train speed. On the monitored corridors and Chicago gateway operations, 172 trains were held for terminal congestion, 114 trains were held for crew, and 19 trains were held for power. These figures are associated with a 54% increase from the previous week in the number of trains run over the reported operations.

The primary train delay issue on the Northern Region continues to be crews available to work. Our training program continues to produce additional qualified crews, and we also are continuing to work with our labor organizations to address the situation. While it is difficult to distinguish any distinct trends at this point, we are confident that our continued efforts will yield a positive effect on performance.

In the Shared Assets Areas, daily car counts went down at Pavonia, NJ for the third consecutive week. Car counts at North Yard, MI also declined, while Oak Island, NJ saw a steady volume. In general, the SAAs have demonstrated persistent fluidity.

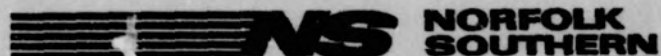
Crews unavailable to work caused 19 trains to be delayed for a total of 232 hours, while lack of power resulted in 12 trains being delayed for 167 hours. Together, these causes account for about 60% of the train delay hours in the SAAs.

Mr. Melvin F. Clemens, Jr.
August 11, 1999
Page 2

We continue to be encouraged by the increase in traffic volumes that began in late July and our ability to process these volumes. As our overall resource situation becomes more stable, our system performance should benefit accordingly.

Sincerely,

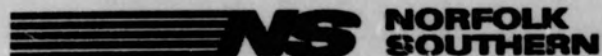
Jon L. Manetta



For the week ending 8/6/99

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	8/2/99	850	139	165	304	177	96.7
	8/3/99	850	176	187	363	320	46.1
	8/4/99	850	155	184	339	200	49.6
	8/5/99	850	111	203	314	316	29.9
	8/6/99	850	106	203	309	317	29.0
North Yard MI Average		850	137	188	326	266	45.4
Oak Island NJ	8/2/99	1200	575	683	1258	693	58.0
	8/3/99	1200	468	500	968	560	56.3
	8/4/99	1200	760	710	1470	638	58.2
	8/5/99	1200	813	679	1492	661	43.4
	8/6/99	1200	795	678	1473	493	44.8
Oak Island NJ Average		1200	682	650	1332	609	52.4
Pavonia NJ	8/2/99	900	264	386	650	463	67.5
	8/3/99	900	140	215	355	381	40.4
	8/4/99	900	277	272	549	357	64.7
	8/5/99	900	273	224	497	482	45.0
	8/6/99	900	272	224	496	268	24.9
Pavonia Average		900	245	264	509	390	50.3



For the week ending 8/6/99

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	08/02/99	4	25%	25%	0%	25%	25%
	08/03/99	5	80%	0%	0%	20%	0%
	08/04/99	7	29%	14%	14%	29%	14%
	08/05/99	7	86%	14%	0%	0%	0%
	08/06/99	7	43%	14%	43%	0%	0%
Detroit Total		30	53%	13%	13%	13%	7%
North Jersey	08/02/99	7	86%	14%	0%	0%	0%
	08/03/99	22	45%	23%	9%	5%	18%
	08/04/99	21	38%	33%	10%	10%	10%
	08/05/99	21	43%	38%	10%	10%	0%
	08/06/99	20	60%	20%	0%	10%	10%
North Jersey Total		91	49%	27%	7%	8%	9%
South Jersey	08/02/99	7	29%	14%	0%	14%	43%
	08/03/99	7	0%	0%	0%	0%	0%
	08/04/99	10	40%	0%	10%	20%	30%
	08/05/99	10	20%	10%	10%	20%	40%
	08/06/99	8	38%	13%	0%	13%	38%
South Jersey Total		42	33%	10%	7%	17%	35%
Grand Total		163	47%	20%	8%	11%	15%



NS Cars Offered in Interchange but not Accepted

offered	Monday 2-Aug	Tuesday 3-Aug	Wednesday 4-Aug	Thursday 5-Aug	Friday 6-Aug	daily average
CSX	0	0	0	0	0	0
other	82	0	0	105	44	46
Total	82	0	0	105	44	46

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

NS Train Delay

cause	Monday 2-Aug	Tuesday 3-Aug	Wednesday 4-Aug	Thursday 5-Aug	Friday 6-Aug	total
Crew	29	14	23	20	19	105
Power	1	4	4	9	13	31
Yard Congestion	2	2	1	2	2	9
Total	32	20	28	31	34	145

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 2-Aug	Tuesday 3-Aug	Wednesday 4-Aug	Thursday 5-Aug	Friday 6-Aug	total
Multiple Mains	3	3	7	2	6	21
Siding	19	8	8	15	13	63
Total	22	11	15	17	19	84

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

Locomotive Bad Order Ratio

	Monday 2-Aug	Tuesday 3-Aug	Wednesday 4-Aug	Thursday 5-Aug	Friday 6-Aug	week avg.
Total	5.9%	6.1%	6.2%	6.0%	6.2%	6.1%

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

STB

/ FD

33388

8-9-99

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195183

SURFACE TRANSPORTATION BOARD

Memorandum

195183

D

DATE: August 5, 1999


ENTERED
Office of the Secretary

AUG 10 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 Penninger



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

Danford L. Price
Assistant Vice President -
Service Measurements

August 4, 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, July 30.

This week's report again shows the rapid integration of acquired territory into normal CSXT operations. First, after three weeks of decreases, total cars on line increased very slightly, less than 1% from last week. Second, line-of-road velocity decreased from one of our highest weekly rates of 19.1 mph the previous week to 18.5 mph last week. Although this is a change of less than 3% we have found that velocity often is the key to efficient asset utilization. The decrease in velocity was not driven by the Conrail acquired territory.

The other measure of fluidity, terminal dwell for the system, remained stable, moving just .1 from 29.5 hours last week to 29.6 hours this report.

A special area of emphasis continues to be the Toledo Terminal, where an operating systems cut-over was completed this week. We are combining the former CSXT Toledo terminal and the former Conrail Toledo terminal under the CSXT operating system. The goal is to decrease car handlings between the two yards, reducing overall terminal dwell, and eliminate the necessity of managing cars in different computer systems.

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 greater than 6 hours late to connections improved slightly over the previous week. 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) have shown a decrease for the past four weeks. Selkirk recently has gotten to the desired position of frequently emptying ("humping-out") its receiving yard. Daily dwell at Baltimore continues to fall. Cars on hand at Buffalo continue to decline for the fourth straight week, while dwell times there also have fallen for the past three weeks. Dwell times at Queensgate (Cincinnati) similarly have fallen for three weeks straight. Cars-on-hand at Cumberland, has fallen for two weeks in a row. Dwell this week also fell at Walbridge (Toledo), Willard OH, Blue Island (Chicago/IHB), and Gibson (Chicago/IHB).

Cars on-on-hand have increased at Blue Island, Walbridge, Stanley (Toledo), and Rough Mere (Detroit). Stanley and Rouge Mere also reported an increase in yard dwell numbers. These yards have been impacted by 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 within normal operational control limits and CSXT will continue to drive toward improvement. Many of the trends were expected. For instance, we anticipated Blue Island dwell to go up as a result of track maintenance scheduled for the Chicago area.

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 Saint Louis-to-Baltimore showed the highest number of trains delayed. New Orleans-to-Carolinas continues to show strong performance. This period is the highest track maintenance work level of the year and all corridors have been affected.

Shared Areas

We are continuing to work with the Shared Asset Area team in their daily and weekly extrapolation of data. They have faced challenges in discerning data and keeping cars in the proper accounts. In the past week, we made changes that will help ensure the data become more viable in the accounting process. Daily on-hand car counts decreased at Oak Island and Pavonia for the second consecutive week. Yards were more fluid as inbound traffic was delivered to serving yards and customers. North Yard's increased average is well within tolerance limits and is a function of normal traffic flows. Pavonia reduced terminal dwell versus the prior week. Oak Island and North Yard increased slightly.

Days on Line

Both loaded and empty days-on-line measurements are trending favorably, reflecting refinements in the operating plan and elimination of residual data issues.

Our goal is to progress all of these measurements in a positive direction. Although measurements do not highlight any significant negative trends, we recognize we need to move rapidly to the levels of service that will exceed customer requirements. 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: 07/30/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	555	691	619	788	678
	Cars On Hand - Empty	530	594	588	772	787
	Cars On Hand - Total	1085	1285	1207	1560	1465
	Cars Handled	274	597	579	396	522
	Dwell Hours	72.4	42.5	49.5	43.7	71.2
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	165	375	344	263	357
	Cars On Hand - Empty	162	215	267	412	417
	Cars On Hand - Total	327	590	611	675	774
	Cars Handled	178	199	117	494	306
	Dwell Hours	80.9	32.7	33.1	33.9	39.8
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	155	171	192	315	255
	Cars On Hand - Empty	176	158	253	264	181
	Cars On Hand - Total	331	329	445	579	436
	Cars Handled	77	119	127	174	144
	Dwell Hours	90.5	53.7	33.6	29.8	28.8

CSX Comments: Daily on hand car counts decreased at Oak Island and Pavonia for the second consecutive week. Yards were more fluid as inbound traffic was delivered to serving yards and customers. North Yard's increased average is well within tolerance limits and is a function of normal traffic flows. Pavonia reduced terminal dwell versus the prior week, Oak Island and North Yard increased slightly.

Surface Transportation Board

Performance Measures

For the week ending: 07/30/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99
North Jersey SAA	Number of Originations	13	25	25	24	10
	% Ontime	53.8	36.0	56.0	41.7	60%
	% Late 0-2 Hours	30.8	24.0	20.0	33.3	40%
	% Late 2-4 Hours	15.4	8.0	4.0	8.3	0.0
	% Late 4-6 Hours	0.0	12.0	12.0	4.2	0.0
	% Late GT 6 Hours	0.0	20.0	8.0	12.5	0.0
South Jersey SAA	Number of Originations	10	11	11	8	3
	% Ontime	10.0	9.1	18.2	37.5	66.7
	% Late 0-2 Hours	20.0	18.2	18.2	12.5	33.3
	% Late 2-4 Hours	30.0	18.2	9.1	12.5	0.0
	% Late 4-6 Hours	10.0	36.4	27.3	25.0	0.0
	% Late GT 6 Hours	30.0	18.2	27.3	12.5	0.0
Detroit SAA	Number of Originations	5	8	6	5	1
	% Ontime	60.0	25.0	16.7	40.0	0.0
	% Late 0-2 Hours	40.0	25.0	33.3	0.0	100.0
	% Late 2-4 Hours	0.0	50.0	16.7	20.0	0.0
	% Late 4-6 Hours	0.0	0.0	16.7	40.0	0.0
	% Late GT 6 Hours	0.0	0.0	16.7	0.0	0.0

CSX Comments: Train delays increased over the prior week: 25 trains were delayed 229 hours on crew availability. Delays attributed to power availability increased to 12 trains at 303 hours. This accounted for 38% of the train delay hours on Conrail.

Surface Transportation Board

Performance Measures

For the week ending: 07/30/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99	Average
Cars Offered	NS	82	8	141	154	138	105
	All Other	182	152	28	5	37	81
	Total	264	160	169	159	175	185

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	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99	Total
Train Delay	Crew	0	0	1	0	1	2
	Power	3	5	1	5	5	19
	Congestion/Staging	0	2	0	0	0	2
	Total	3	7	2	5	6	23

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: 07/30/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99	Total
Blocked	Sidings	0	1	0	0	0	1
	Multiple Main Lines	0	1	0	0	0	1
	Total	0	2	0	0	0	2

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	7/26/99	7/27/99	7/28/99	7/29/99	7/30/99	Average
Locomotive OOS	OOS Ratio	5.6	5.6	5.8	6.4	6.2	5.9

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

August 4, 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 30, 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

NORFOLK SOUTHERN

August 4, 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 performance measures for this week reflect continued improvement in cars on line, but also show the fact that our expected increases in automotive, coal and other traffic have begun to materialize. In fact, we saw our heaviest week of car loadings since June 1. On the monitored corridors and Chicago gateway operations, 105 trains were held for terminal congestion, 68 trains were held for crews, and 8 trains were held for power.

Unavailability of crews is the largest contributing factor to the number of train delays on the Northern Region. New engineers and conductors, who began training before Closing Date, are being qualified on the Pittsburgh and Harrisburg Divisions and are integrated as they complete their training. Additionally, we continue to work closely with the general chairmen and local chairmen of our labor organizations and are receiving their ongoing cooperation with our efforts. Overall, the fluidity of yards improved, with some exceptions.

The personnel in the Shared Assets Areas continue their efforts to relieve lingering congestion at North Yard, MI, Oak Island, NJ, and Pavonia, NJ. Daily car counts at Oak Island and Pavonia declined for the second consecutive week. The results have been encouraging, and continued progress is anticipated.

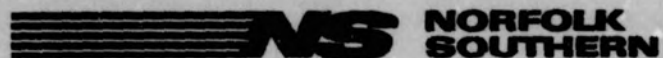
Crews unavailable to work caused 25 trains to be delayed for a total of 229 hours, while lack of power resulted in 12 trains being delayed for 303 hours. Together, these causes account for about 38% of the train delay hours in the SAAs.

Mr. Melvin F. Clemens, Jr.
August 4, 1999
Page 2

We have been encouraged by the increase in traffic volumes that has resulted from our new operations. As we address the availability of crews, I am confident that our performance measures will continue to improve.

Sincerely,

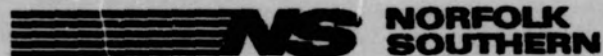
Jon L. Manetta



For the week ending 7/30/99

Shared Asset Area - Yard Performance

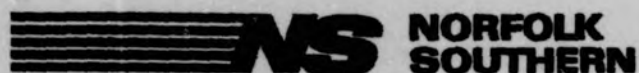
Yard	date	Fluid Capacity	On hand -Empty	On hand - Loaded	On hand - Total	Cars handled	Average dwell
North Yard MI	7/26/99	850	176	155	331	77	90.5
	7/27/99	850	158	171	329	119	53.7
	7/28/99	850	253	192	445	127	33.6
	7/29/99	850	264	315	579	174	29.8
	7/30/99	850	181	255	436	144	28.8
North Yard MI Average		850	206	218	424	128	42.1
Oak Island NJ	7/26/99	1200	530	555	1085	274	72.4
	7/27/99	1200	594	691	1285	597	42.5
	7/28/99	1200	588	619	1207	579	49.5
	7/29/99	1200	772	788	1560	396	43.7
	7/30/99	1200	787	678	1465	522	71.2
Oak Island NJ Average		1200	654	666	1320	474	54.2
Pavonia NJ	7/26/99	900	162	165	327	178	80.9
	7/27/99	900	215	375	590	199	32.7
	7/28/99	900	267	344	611	117	33.1
	7/29/99	900	412	263	675	494	33.9
	7/30/99	900	417	357	774	306	39.8
Pavonia Average		900	295	301	595	259	41.5



For the week ending 7/30/99

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	7/26/99	5	60%	40%	0%	0%	0%
	7/27/99	8	25%	25%	50%	0%	0%
	7/28/99	6	17%	33%	17%	17%	17%
	7/29/99	5	40%	0%	20%	40%	0%
	7/30/99	1	0%	100%	0%	0%	0%
Detroit Total		25	32%	28%	24%	12%	4%
North Jersey	7/26/99	13	54%	31%	15%	0%	0%
	7/27/99	25	36%	24%	8%	12%	20%
	7/28/99	25	56%	20%	4%	12%	8%
	7/29/99	24	42%	33%	8%	4%	13%
	7/30/99	10	60%	40%	0%	0%	0%
North Jersey Total		97	47%	28%	7%	7%	10%
South Jersey	7/26/99	10	10%	20%	30%	10%	30%
	7/27/99	11	0%	0%	0%	0%	0%
	7/28/99	11	18%	18%	9%	27%	27%
	7/29/99	8	38%	13%	13%	25%	13%
	7/30/99	3	67%	33%	0%	0%	0%
South Jersey Total		43	21%	19%	16%	23%	21%
Grand Total		165	41%	26%	14%	12%	14%



NS Cars Offered in Interchange but not Accepted

offered	Monday 26-Jul	Tuesday 27-Jul	Wednesday 28-Jul	Thursday 29-Jul	Friday 30-Jul	daily average
CSX	233	233	112	0	0	116
other	99	99	99	117	0	83
Total	332	332	211	117	0	198

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

NS Train Delay

cause	Monday 26-Jul	Tuesday 27-Jul	Wednesday 28-Jul	Thursday 29-Jul	Friday 30-Jul	total
Crew	15	13	19	18	30	95
Power	0	3	2	2	2	9
Yard Congestion	3	1	0	0	0	4
Total	18	17	21	20	32	108

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 26-Jul	Tuesday 27-Jul	Wednesday 28-Jul	Thursday 29-Jul	Friday 30-Jul	total
Multiple Mains	1	1	2	4	4	12
Siding	15	12	12	9	15	63
Total	16	13	14	13	19	75

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

Locomotive Bad Order Ratio

	Monday 26-Jul	Tuesday 27-Jul	Wednesday 28-Jul	Thursday 29-Jul	Friday 30-Jul	week avg.
Total	5.7%	5.5%	6.0%	6.1%	6.1%	5.9%

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

STB

FD

33388

8-9-99

D

195172

SURFACE TRANSPORTATION BOARD

Memorandum

195172

ENTERED
Office of the Secretary

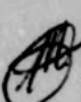
AUG 09 1999

Part of
Public Record



DATE: August 9, 1999

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

FROM  Mel Clemens, Director
Office of Compliance and Enforcement

D

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

August 3, 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 9-11
Training	Pages 12-13

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. Shudtz, Vice President
Law & General Counsel

Paul R. Hitchcock - J150
Senior Counsel

CSX TRANSPORTATION, INC.
STB OPERATIONAL MONITORING REPORT
As of July 31, 1999

Table of Contents

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Labor Implementing Agreements	Page 1
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Customer Service	Pages 9-11
Training.....	Pages 12-13

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

STB OPERATIONAL MONITORING REPORT

As of July 31, 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 July 31, 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 already has held labor task force meetings with several of the unions who have expressed an interest in participating. CSXT plans to hold meetings with additional unions. Further CSXT has endeavored to have other frequent communications with its unions to guarantee that problems which may arise with respect to the implementation of the transaction receive its prompt attention. For instance, since the implementation of the transaction CSXT's President, Senior Vice President of Operations and Vice President of Labor Relations have participated in weekly conference calls with the UTU and BLE General Chairmen to discuss any problems with the transition. Because of the progress made with respect to the implementation of the transaction this conference call is now made bi-weekly.

STB OPERATIONAL MONITORING REPORT

As of July 31, 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 July 31, 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 July 31, 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 July 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<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>The TECS desk roll-out is still on schedule.</p> <p><i>Revised roll-out now estimates 6 months.</i></p>	<p>CSX Payroll officers will train T&E 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>
Transportation Car Management and Movement	<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 was cut-over to CSX systems July 27th.</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 July 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Locomotive Management	<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><i>The locomotive management of the acquired territory was transitioned to the Kenneth Dufford Center in Jacksonville, FL on July 12, 1999.</i></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 July 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Transportation Train Dispatching	<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 : Albany, Indianapolis & Philadelphia complete. Dearborn Division started. Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments: <i>Two dispatcher desks moved from Indianapolis to Dearborn on 7/27/99.</i> <i>Phase 2 projected to be completed with CSAO dispatcher move from Dearborn to Mt. Laurel on 8/10/99.</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 July 31, 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

Traffic flow on CSXT was maintained through June 1 and beyond, with little or no delays experienced due to Customer Service data reporting issues. The humps were kept operating and the terminals on the acquired territory remained fluid from a data reporting and train document perspective. Data transfer, classification, and billing issues were worked out as they were discovered and logged. To expedite the operation from a Customer Service standpoint, a variety of personnel were on the site in Pittsburgh to lend their expertise, and both operating and technology bridge lines were kept open during the first week to maximize communications. On hand were Information Technology people, experts in training, and both contract and non-contract personnel familiar with CSX systems and procedures. Each contributed enormously to the success of the transition, dealing as they did with a variety of issues as they occurred. Most recently, we have converted Stanley Yard in Toledo to CSX systems and procedures, thus bringing the Toledo Terminal and its customers under one unified operation. The Stanley conversion was undertaken with the same care and attention to detail as the June 1 transition, and, although only underway since July 27, our observation has been that the operation is proceeding smoothly.

Personnel

One factor in providing a smooth transition on and after Day One was that Pittsburgh Customer Service continued to work in the Conrail TRIMS system, and to use procedures already learned. Only in the case of billing-related issues, such as received interchange, and only with trains that had to "hop the fence" between systems was it necessary to change the way Pittsburgh operated. To accomplish this change, personnel were trained in the classroom environment prior to the cut-over, and were assisted afterwards by contract Traveling Specialists and non-contract management personnel from Jacksonville.

STB OPERATIONAL MONITORING REPORT

As of July 31, 1999

Customer Service Progress Report Continued

The Command Center employees assisted in data problem identification/resolution and error correction. Contract and non-contract personnel in both Pittsburgh and Jacksonville worked together in a true spirit of cooperation and a sense of mutual purpose to make the transition successful.

Since the transition began, Labor and Management have had good rapport and have worked well together, complying conscientiously with the TCU Implementation Agreement. In addition, the training group held 2-day post-split classes in work order and interchange reporting. Response from students was reported as favorable, as several indicated that the post-split training increased their understanding of the new processes. Building on our experiences, additional training materials are currently being developed, and will be offered on 1st and 2nd shifts prior to each field roll-out phase.

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.

Immediately after the June 1 cut-over, call volumes in the Customer Satisfaction group went up to approximately 63% above the projected norm – that is, average calls received by Jacksonville plus a proportional amount of calls received by Philadelphia prior to the transition. To handle the rise in call volumes, a tiered response plan whereby personnel were added in on demand to answer calls and handle inquiries was in place and used accordingly. Experienced customer service personnel were also retained in Philadelphia to help with the resolution process. Call volumes have trended downward over the last 7 weeks, and a low of 15% above the norm has been achieved. Field forces are consistently attending to items on the daily Customer Satisfaction “hot sheet”, making operating adjustments where appropriate to expedite time-sensitive shipments.

STB OPERATIONAL MONITORING REPORT

As of July 31, 1999

Customer Service Progress Report Continued

Customer Service, in teamwork with Sales and Marketing, continues to contact customers who will be converted to CSX systems and tariffs in the near future in order to make the changes as transparent to them as possible.

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.

STB OPERATIONAL MONITORING REPORT

As of July 31, 1999

STB Status Submission Report on Training

Clerical Employees

Field Clerical training is complete in Selkirk, Philadelphia, Buffalo, West Springfield, Syracuse, Baltimore, and Cleveland.

Train & Engine Service Employees

Transition training for T&E employees continued at various locations on the acquired Conrail territories after the completion of the training designed for the implementation was completed. This additional training was provided by T&E coaches with the assistance of local chairmen and local management. Roll-out classroom training began at Toledo in Mid-June; with ongoing on-the-job assistance and training to support the implementation of CSX systems which occurred on July 27, 1999. Toledo T&E coaches will be providing around-the-clock support and training in the proper preparation of work orders, the correct use and interpretation of CSXT Train Documentation, and the proper completion of miscellaneous forms associated with the movement of trains. Field Roll Out training materials for T&E employees have been completed. Implementation training schedules for Field Roll Out are being finalized.

Field Transportation Supervisors

Yardmasters and Trainmasters training on Field Rollout for Toledo was completed on July 29. Six employees from the Shared Assets (Managers and Superintendents) were trained on CSX computer applications. We began the implementation of the CSX computer systems at Stanley Yard on 7/26. On-the-job support/training continues..

On-the-Job Support/Training Continues

Customer Service

Conducted two-day post-split review training sessions for representatives involved with interchange and work orders. Student response was very favorable, with numerous students stating that the review enhanced their understanding of several topics. Field roll-out training materials are developed and a field roll-out training schedule is being developed. Training will be offered on both first and second shift in two sessions prior to scheduled cutover.

Crew Management

TECS Crew Dispatcher training for the first Conrail desk is complete. The scheduled system cut over was completed July 19th. TECS training sessions are in progress for Columbus—Desk C and Buffalo – Desk L. All extraboard employees have been trained at this time. One-on-one TECS and CSXT system training is being conducted for the manpower managers.

Mechanical

Classes were conducted during July for Mechanical Department employees in Toledo affected by the cutover of CSX Yard systems.

STB OPERATIONAL MONITORING REPORT

As of July 31, 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 July 31, 1999

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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 July 31, 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 Employees	Implementing Agreement reached.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of July 31, 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 July 31, 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
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
				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	
			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
				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 July 31, 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: 3Q00	Track	Design Grade/Pave	In progress
Cloggsville	OH	Track Rehabilitation Estimated Completion Date: Complete	Track	Design Const	Complete Complete
			Track	Design Grading Const	Complete In progress
Cloggsville	OH	Construct second main Estimated Completion Date: 2Q00	Bridge	Design Const	In progress 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
Croxtan	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 July 31, 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.
				Grading	
				Const	
			Signal	Design	
				Const	
Hagerstown Sec (Greencastle)	PA	Construct siding Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Hagerstown Sec	PA	Traffic Control Estimated Completion Date: 4Q99	Signal	Design	In progress
				Const	
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
				Grading	Complete
				Const	In progress
			Signal	Design	Complete
				Const	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	Complete
				Const	Complete
			Bridge	Design	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land		Complete
			Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Pattensburg	NJ	Clearance-9 Bridges Estimated Completion Date: Complete	Bridge	Design	Complete
				Const	Complete
Pattensburg	NJ	Siding Extensions Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design	Complete
				Const	Complete
Pattensburg	NJ	Tunnel Clearance Estimated Completion Date: 3Q99	Bridge	Design	Complete
				Const	In progress

Surface Transportation Board Operational Monitoring Report

As of July 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

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

Surface Transportation Board Operational Monitoring Report

As of July 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Dept	Phase	Status
Southern Tier	NY Southern Tier Rehabilitation Estimated Completion Date: 4Q99	Track	Const	Project being defined.
		Bridge	Design Const	In progress
St. Louis (Mitchell)	MO Expand Mitchell Triple Crown Terminal Estimated Completion Date: 4Q99	Track	Design	Complete
		Signal	Grade/Pave Design Const	In progress In progress
Toledo	OH Intermodal Terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	Project being defined.
Tolono	IL Track Connection Estimated Completion Date: 3Q99	Track	Design	Complete
			Grading	Complete
			Const	Complete
		Signal	Design Const	Complete In progress
Vermillion	OH Track Connection Estimated Completion Date: Complete	Land		Complete
		Track	Design	Complete
			Grading	Complete
			Const	Complete
Wabash	IN Construct connection track Estimated Completion Date: 3Q99	Signal	Design Const	Complete Complete
		Track	Const	In progress
		Signal	Design Const	Complete 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 July 31, 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.
	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
	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 July 31, 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 Conrail employees	Complete
Train and Engine (T&E) Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Train T&E crews	Estimated completion date: 3Q99
Non-Train and Engine Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Estimated completion date: 3Q99
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	Estimated completion date: 3Q99

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of July 31, 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.

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SURFACE TRANSPORTATION BOARD


Memorandum

195120



DATE: July 29, 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 29 1999

Part of
Public Record

D

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 28, 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, July 23.

This week's reports again showed improvement from the previous week. Total cars on line decreased 758 cars, or slightly less than 1% from last week. Line-of-road velocity increased to 19.5, the third consecutive weekly improvement. Terminal dwell for the system improved to 29.5 hours, 4% lower than the previous week of 30.7. A special area of emphasis continues to be the Toledo Terminal, where the operating systems cut-over scheduled for this week will combine the entire terminal under the CSXT operating system, resulting in decreased handling of cars between the yards and reduced overall terminal dwell. Although measures are trending in the right direction, we recognize we need to move rapidly to the levels of service that will exceed customer requirements.

The scheduled 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.

This report highlights good performance in the new measures requested recently by the STB. None of the measures indicates issues worthy of special attention. All areas continue to remain well within normal operational control limits.

Our goal is to progress all of these measures in the positive direction indicated in this report. We are continuing to refine the operating plan to better utilize our resources. We feel that our favorable progress over the past few weeks has positioned us to handle the anticipated increase in traffic this fall.

Sincerely,

Danford L. Price
Assistant Vice President
Service Measurements

Surface Transportation Board

Performance Measures

For the week ending: 07/23/99

Yard Performance

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	565	780	770	780	752
	Cars On Hand - Empty	492	575	663	699	643
	Cars On Hand - Total	1057	1355	1433	1479	1395
	Cars Handled	300	483	596	395	442
	Dwell Hours	50.0	54.3	47.6	61.9	53.0
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	337	231	426	278	433
	Cars On Hand - Empty	310	232	469	382	419
	Cars On Hand - Total	647	463	895	660	852
	Cars Handled	120	297	220	335	344
	Dwell Hours	110.9	64.2	36.9	29.3	29.7
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	164	150	188	211	256
	Cars On Hand - Empty	206	85	127	170	176
	Cars On Hand - Total	370	235	315	381	432
	Cars Handled	151	80	106	120	140
	Dwell Hours	45.7	44.8	47.1	30.8	37.7

CSX Comments: Daily on hand car counts decreased at Oak Island and Pavonia. Yards are clearing out as inbound traffic is delivered to serving yards and customers. Reduced delays at train originations has contributed to improvements in terminal fluidity. Terminal dwell reflects all cars handled in the yards (excluding relay cars) irrespective of car status. All three terminals reduced terminal dwell from the prior week. Delays in road train departures continue due to congestion in the shared areas.

Surface Transportation Board

Performance Measures

For the week ending: 07/23/99

Train Originations

(Composite of NS/CSX Traffic)

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99
North Jersey SAA	Number of Originations	4	9	12	6	6
	% Ontime	0%	0%	33%	0%	17%
	% Late 0-2 Hours	0%	22%	8%	17%	0%
	% Late 2-4 Hours	0%	11%	17%	17%	0%
	% Late 4-6 Hours	0%	11%	0%	17%	17%
	% Late GT 6 Hours	100%	56%	42%	50%	67%
South Jersey SAA	Number of Originations	2	4	4	9	2
	% Ontime	0%	0%	0%	11%	0%
	% Late 0-2 Hours	0%	50%	0%	11%	100%
	% Late 2-4 Hours	0%	25%	25%	44%	0%
	% Late 4-6 Hours	0%	0%	50%	11%	0%
	% Late GT 6 Hours	100%	25%	25%	22%	0%
Detroit SAA	Number of Originations	6	6	6	6	3
	% Ontime	33%	67%	50%	33%	0%
	% Late 0-2 Hours	17%	33%	33%	33%	33%
	% Late 2-4 Hours	0%	0%	17%	0%	33%
	% Late 4-6 Hours	17%	0%	0%	17%	33%
	% Late GT 6 Hours	33%	0%	0%	17%	0%

CSX Comments: Road train originations continued to be affected by resource constraints. Power delays remained steady at 7 trains. Crew delays were reduced to 20 trains from 42 the prior week.

Surface Transportation Board

Performance Measures

For the week ending: 07/23/99

CSXT Cars Offered in Interchange but not Accepted

(Snapshot at Midnight for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Daily
Measure	Railroad Offered To	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99	Average
Cars Offered	NS	0	0	0	0	88	18
	All Other	70	104	26	35	54	58
	Total	70	104	26	35	142	76

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	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99	Total
Train Delay	Crew	0	0	0	0	0	0
	Power	3	0	3	4	2	12
	Congestion/Staging	0	0	0	0	0	0
	Total	3	0	3	4	2	12

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: 07/23/99

CSXT Blocked Sidings or Multiple Main Lines

(Snapshot at 14:30 for Day Measured)

		Monday	Tuesday	Wednesday	Thursday	Friday	Weekly
Measure	Track Type	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99	Total
Blocked	Sidings	0	0	0	0	0	0
	Multiple Main Lines	0	0	0	0	0	0
	Total	0	0	0	0	0	0

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	7/19/99	7/20/99	7/21/99	7/22/99	7/23/99	Average
Locomotive OOS	OOS Ratio	5.9	5.6	5.7	6.2	5.6	5.8

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 28, 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 23, 1999, enclosed are schedules reporting Train Origination Performance and Yard Performance in the Shared Assets Areas. Also enclosed is a schedule showing a 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

NORFOLK SOUTHERN

July 28, 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:

Once again, I am pleased to report that our operations continue to improve. Last week, the terminal dwell times at all but two of our reported yards decreased noticeably. Terminal dwell times for our yards in Allentown, PA and Conway, PA had minor increases as we continued to move congesting cars off our system. On the monitored corridors and Chicago gateway operations, 102 trains were held for terminal congestion, 46 trains were held for crews, and 21 trains were held for power.

The performance measures for our operations in the Northern Region reflect the growth in traffic that we anticipated as coal and automotive business sectors return to normal. We also are experiencing a significant increase in the number of grain trains compared to 1998 levels. The reported train delay summaries reflect the effect of these traffic increases.

The personnel in the Shared Assets Areas have focused their efforts on relieving congestion at North Yard, MI, Oak Island, NJ, and Pavonia, NJ. Daily car counts at Oak Island and Pavonia declined as the SAAs continued to work off the surge in inbound traffic that followed congestion declines on NS and CSXT. Such efforts dramatically reduced the average terminal dwell at all three yards located in the SAAs.

Improving fluidity at the yards in the SAAs also helped to reduce the number of train delays from the prior week's numbers. Unavailable crews caused 20 trains to be delayed for a total of 296 hours, compared to 42 trains delayed for 695 hours last week. Two trains were delayed for a total of 26 hours by lack of power, compared to 7 trains delayed for 109 hours last week. Together, these causes account for about 42% of the train delay hours in the SAAs.

Mr. Melvin F. Clemens, Jr.
July 28, 1999
Page 2

The operations on our system have consistently improved over the past three weeks. I expect this trend to continue on into August as we work to reduce the number of cars on line by improving our road train transit and yard dwell times.

Sincerely,

Jon L. Manetta



NS Cars Offered in Interchange but not Accepted

offered	Monday 19-Jul	Tuesday 20-Jul	Wednesday 21-Jul	Thursday 22-Jul	Grand Total	daily average
CSX	82	360	465	95	1002	401
other	143	104	0	0	247	99
Total	225	464	465	95	1249	500

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

NS Train Delay

cause	Monday 19-Jul	Tuesday 20-Jul	Wednesday 21-Jul	Thursday 22-Jul	Friday 23-Jul	total
Crew	15	24	26	18	12	95
Power	3	1	1	3	2	10
Yard Congestion	12	12	6	0	0	30
Total	30	37	33	21	14	135

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

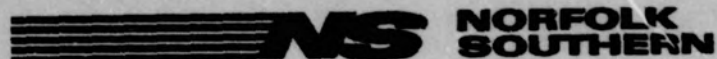
track	Monday 19-Jul	Tuesday 20-Jul	Wednesday 21-Jul	Thursday 22-Jul	Friday 23-Jul	total
Multiple Mains	6	7	4	3	2	22
Siding	16	17	23	13	10	79
Total	22	24	27	16	12	101

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

Locomotive Bad Order Ratio

	Monday 19-Jul	Tuesday 20-Jul	Wednesday 21-Jul	Thursday 22-Jul	Friday 23-Jul	week avg.
Total	5.6%	5.8%	5.5%	5.2%	5.4%	5.5%

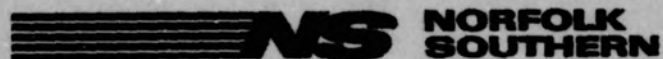
Snapshot taken at midnight
Does not include locomotives leased out or stored



For the week ending 7/23/99

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	19-Jul	6	33%	17%	0%	17%	33%
	20-Jul	6	67%	33%	0%	0%	0%
	21-Jul	6	50%	33%	17%	0%	0%
	22-Jul	6	33%	33%	0%	17%	17%
	23-Jul	3	0%	33%	33%	33%	0%
Detroit Total		27	41%	30%	7%	11%	11%
North Jersey	19-Jul	4	0%	0%	0%	0%	100%
	20-Jul	9	0%	22%	11%	11%	56%
	21-Jul	12	33%	8%	17%	0%	42%
	22-Jul	6	0%	17%	17%	17%	50%
	23-Jul	6	17%	0%	0%	17%	67%
North Jersey Total		37	14%	11%	11%	8%	57%
South Jersey	19-Jul	2	0%	0%	0%	0%	100%
	20-Jul	4	0%	50%	25%	0%	25%
	21-Jul	4	0%	0%	25%	50%	25%
	22-Jul	9	11%	11%	44%	11%	22%
	23-Jul	2	0%	100%	0%	0%	0%
South Jersey Total		21	5%	24%	29%	14%	29%
Grand Total		85	20%	20%	14%	11%	35%



For the week ending 7/23/99

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	7/19/99	850	206	164	370	151	45.7
	7/20/99	850	85	150	235	80	44.8
	7/21/99	850	127	188	315	106	47.1
	7/22/99	850	170	211	381	120	30.8
	7/23/99	850	176	256	432	140	37.7
North Yard MI Average		850	153	194	347	119	40.9
Oak Island NJ	7/19/99	1200	492	565	1057	300	50.0
	7/20/99	1200	575	780	1355	483	54.3
	7/21/99	1200	663	770	1433	596	47.6
	7/22/99	1200	699	780	1479	395	61.9
	7/23/99	1200	643	752	1395	442	53.0
Oak Island NJ Average		1200	614	729	1344	443	53.0
Pavonia NJ	7/19/99	900	310	337	647	120	110.9
	7/20/99	900	232	231	463	297	64.2
	7/21/99	900	469	426	895	220	36.9
	7/22/99	900	382	278	660	335	29.3
	7/23/99	900	419	433	852	344	29.7
Pavonia Average		900	362	341	703	263	46.0

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6-24-99

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SURFACE TRANSPORTATION BOARD

Memorandum

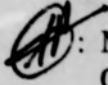
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ENTERED
Office of the Secretary
JUN 24 1999
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Public Record



DATE: June 24, 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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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



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Danford L. Price
Assistant Vice President -
Service Measurements

June 23, 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

RECEIVED
SURFACE TRANSPORTATION
BOARD
JUN 24 7 48 AM '99
OFFICE OF COMPLIANCE
AND ENFORCEMENT
DIRECTOR'S OFFICE

Dear Mr. Clemens:

Enclosed with this transmittal letter are CSX Transportation's operational monitoring reports to the Board for the week ending Friday, June 18.

In closing our third week of integration, the fundamental elements that affect operations continue to be strong overall - safety, crews, power, cars and track availability.

On the safety front, through 21 days of June, personal injuries and FRA-reportable train accidents remain consistent with the levels reported last week. We have shown a 20% improvement in personal injuries on the expanded CSXT system as compared to last year. For the same time period, FRA-reportable train accidents are essentially flat.

Total cars on line, the key measure of the fluidity of our system, continues to show that we are managing our car flows well. For the week ending June 18, total cars on line increased slightly over last week's report, 1,764 cars, less than 1%. Comparing the current report with the week ending June 4 reveals that total cars on line has increased 2,062 cars, less than 1%.

While we continue to be pleased with our overall progress to date, we would like to be making more rapid improvement in our service to customers.

The crew issue in the Baltimore/Philadelphia/northern New Jersey area reported last week has eased considerably. We can attribute this success largely to the willingness of our labor partners to develop and implement some innovative solutions. Near the end of last week, the actions implemented began to bear fruit, but our service performance on the I-95 corridor is not advancing as rapidly as we had hoped.

Our system is fluid, although it has slowed slightly. Production in the terminals remains high, but the processing time is above our standard. The lingering effects of last week's derailment near Utica are still being felt and are reflected in our performance numbers. We continue to see heavy volumes at many of our terminals and two terminals in particular - Selkirk, near Albany, N.Y., and Avon at Indianapolis. We are still refining our operating plan based on the full volumes of traffic we are realizing.

We are beginning to see signs that modifications we already have made to our operating plan are having the desired effect. For example, the changes we made in Cleveland have that terminal running nearly to plan. In addition, we began last week to see more normalized volumes at Toledo and Buffalo.

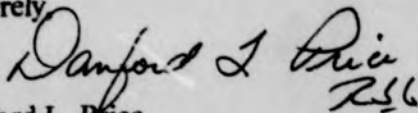
We are pleased to report that we have no major data integrity issues to address. We do have teams tackling some nagging data translation issues that cause re-work for a small percentage of cars, particularly in the Shared Assets Area and in Selkirk.

Looking ahead to next week's report, we anticipate seeing some improvement as a result of the operating plan changes made at Willard and Avon to alleviate congestion at those terminals. At Willard, we scheduled less switching and changed the timing of trains, spacing them to facilitate more efficient production. To ease congestion at Avon, we altered the plan to move some traffic temporarily back to the original routing through Cincinnati. As we progress and normalize, we will determine the optimum traffic levels for Avon and Cincinnati and maximize the use of both.

We also anticipate next week's report to reflect some impact from the traditional Father's Day decrease in crew availability.

In closing, we recognize that we are not yet meeting our customers' expectations - or our own targets - with regard to service. We are aggressively working to improve our performance.

Sincerely,

Handwritten signature of Danford L. Price in cursive script.

Danford L. Price
Assistance Vice President
Service Measurements

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/18/99

Yard Performance

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	6/14/99	6/15/99	6/16/99	6/17/99	6/18/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	808	610	666	669	652
	Cars On Hand - Empty	795	529	833	685	753
	Cars On Hand - Total	1603	1139	1499	1354	1405
	Cars Handled	850	595	491	427	698
	Dwell Hours	70.0	67.4	52.4	52.7	56.9
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	329	303	155	224	244
	Cars On Hand - Empty	414	323	352	335	354
	Cars On Hand - Total	743	626	507	559	598
	Cars Handled	347	359	213	136	180
	Dwell Hours	70.1	49.0	39.9	46.7	54.1
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	192	271	251	394	322
	Cars On Hand - Empty	157	204	136	239	156
	Cars On Hand - Total	349	475	387	633	478
	Cars Handled	178	267	168	316	204
	Dwell Hours	54.1	46.9	48.1	29.7	67.0

CSX Comments: Daily car counts remained steady over the prior week at Pavonia and North Yard. The car counts at Oak Island remained high primarily due to outbound trains waiting for power and crews. The terminal dwell hours remained high due to availability/imbalance of the power and crews for both owning roads. Conrail terminal dwell reflects all cars handled in the yards (excluding relay cars) irrespective of car status.

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/18/99

Train Originations

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	6/14/99	6/15/99	6/16/99	6/17/99	6/18/99
North Jersey SAA	Number of Originations	6	5	7	5	7
	% Ontime	50%	40%	14%	0%	0%
	% Late 0-2 Hours	17%	40%	29%	40%	14%
	% Late 2-4 Hours	0%	0%	0%	40%	29%
	% Late 4-6 Hours	0%	0%	14%	0%	0%
	% Late GT 6 Hours	33%	20%	43%	20%	57%
South Jersey SAA	Number of Originations	2	4	5	5	3
	% Ontime	0%	0%	20%	20%	0%
	% Late 0-2 Hours	50%	25%	0%	60%	33%
	% Late 2-4 Hours	0%	25%	40%	0%	67%
	% Late 4-6 Hours	0%	25%	20%	0%	0%
	% Late GT 6 Hours	50%	25%	20%	20%	0%
Detroit SAA	Number of Originations	5	5	3	3	3
	% Ontime	40%	20%	33%	0%	0%
	% Late 0-2 Hours	40%	40%	33%	33%	0%
	% Late 2-4 Hours	0%	0%	0%	33%	33%
	% Late 4-6 Hours	0%	0%	0%	0%	0%
	% Late GT 6 Hours	20%	40%	33%	33%	67%

CSX Comments: The road train origination performance reflects the impact of power and crew availability/imbances of both owning roads. Some of this imbalance was caused by congestion within the SAA and crews being taxed to trains to provide relief for a crew which had exceeded hours of service times limits.



**NORFOLK
SOUTHERN**

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

**George A. Aspatore
General Solicitor**



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June 23, 1999

Mr. 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 24 11 55 AM '99

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Mr. Clemens:

Pursuant to Decision No. 89 issued in STB Finance Docket No. 33388, for the week ending June 18, 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 23, 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 are beginning to see results from our efforts to regularize operations on the Northern Region. These results include improved customer access to shipment information and the identification and elimination of some significant information systems problems. We continue to take steps to increase the capacity of the system.

First, we are in the process of refining blocking systems to route cars more efficiently from origin to destination. Some of the car flows causing congestion are coming from unexpected interchanges. We have established daily dialogs with connecting carriers to look at the causes of these flows. In particular, we have a joint CSX - NS - Conrail team looking at the routings from the Shared Assets Areas into both NS and CSX to determine if the most efficient routings are being used.

To handle the immediate problem of congestion, we have asked and received excellent cooperation from other carriers, especially UP and BNSF, to preblock traffic and use alternative gateways to avoid congested areas. We are also internally routing trains to other parts of the NS system that are not congested.

Second, we are adding more resources to the NS system. On the equipment side, we have arranged for the immediate leasing of an additional 92 locomotive units. Regarding manpower, we are adding personnel to the National Customer Service Center in Pittsburgh to manually correct any car routing problems that arise and we are bringing aboard 140 additional train and engine service employees. Finally, a valuable asset recently came on line: the cleared Pattenburg Tunnel was opened on June 21st, which will enable us to improve intermodal efficiency through more direct routings and increased doublestacking.

Third, we are aggressively using routes and yards of other railroads to relieve congestion. We have used the Ohio Central for overhead movements since

Mr. Melvin F. Clemens, Jr.
June 23, 1999
Page 2

Closing Date. Currently, the Philadelphia, Bethlehem and New England, the Lycoming Valley, the Union Railroad, the Wheeling and Lake Erie and the Elgin, Joliet and Eastern are switching traffic and providing alternate routes for NS traffic, where appropriate.

We believe that those steps, and others, will begin to yield greater results. However, the current level of congestion on the Northern Region continues to hamper our service quality. The terminals most effected by the transition are Allentown, Bellevue, Conway, and Elkhart. Columbus and Decatur have been effected less. On-time train performance continues to suffer in corridors associated with the impacted terminals. For the monitored corridors and Chicago gateway operations, terminal delay due to congestion represents the largest category for the week which resulted in 119 trains being delayed, followed by crew delays which resulted in 64 trains being delayed, and locomotive delays which resulted in nine trains being delayed. Other factors, such as train meets and track work, caused 277 trains to be delayed.

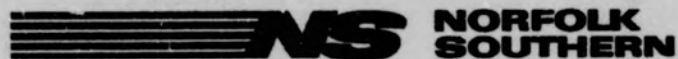
With regard to the Shared Assets Areas, both NS and CSX are working together to address service issues. Terminal dwell increased over the prior week. Fifteen road trains were delayed due to crews shortages, eleven road trains were delayed for locomotives, and another fifteen trains were delayed while new crews were taxied to outlawed trains.

The cooperation of our employees, our connecting carriers, Amtrak (over which many of our trains must operate), commuter authorities and others has been exemplary. There have been numerous offers of help and wherever such offers make operational sense, they have been and will continue to be accepted.

Most importantly, safety on our system continues to be excellent. I look forward to reporting the progress that NS is making in the coming weeks.

Sincerely,

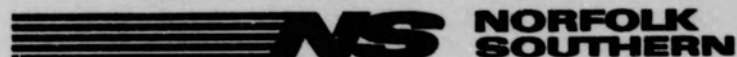
Jon L. Manetta



For the week ending 6/18/99

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	6/14/99	850	157	192	349	178	54.1
	6/15/99	850	204	271	475	267	46.9
	6/16/99	850	136	251	387	168	48.1
	6/17/99	850	239	394	633	316	29.7
	6/18/99	850	156	322		204	67.0
North Yard MI Average		850	178	386	451	227	47.0
Oak Island NJ	6/14/99	1200	795	808	1603	850	70.0
	6/15/99	1200	529	610	1139	595	67.4
	6/16/99	1200	833	566	1499	491	52.4
	6/17/99	1200	685	669	1354	427	52.7
	6/18/99	1200	753	652	1405	698	56.9
Oak Island NJ Average		1200	719	681	1400	612	61.2
Pavonia NJ	6/14/99	900	414	329	743	347	70.1
	6/15/99	900	323	303	626	359	49.0
	6/16/99	900	352	155	507	213	39.9
	6/17/99	900	335	224	559	136	46.7
	6/18/99	900	354	244	598	180	54.1
Pavonia Average		900	356	251	607	247	53.9



For the week ending 6/18/99

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	14-Jun	5	40%	40%	0%	0%	20%
	15-Jun	5	20%	40%	0%	0%	40%
	16-Jun	3	33%	33%	0%	0%	33%
	17-Jun	3	0%	33%	33%	0%	33%
	18-Jun	3	0%	0%	33%	0%	67%
Detroit Total		19	21%	32%	11%	0%	37%
North Jersey	14-Jun	6	50%	17%	0%	0%	33%
	15-Jun	5	40%	40%	0%	0%	20%
	16-Jun	7	14%	29%	0%	14%	43%
	17-Jun	5	0%	40%	40%	0%	20%
	18-Jun	7	0%	14%	29%	0%	57%
North Jersey Total		30	20%	27%	13%	3%	37%
South Jersey	14-Jun	2	0%	50%	0%	0%	50%
	15-Jun	4	0%	25%	25%	25%	25%
	16-Jun	5	20%	0%	40%	20%	20%
	17-Jun	5	20%	60%	0%	0%	20%
	18-Jun	3	0%	33%	67%	0%	0%
South Jersey Total		19	11%	32%	26%	11%	21%
Grand Total		68	18%	29%	16%	4%	32%

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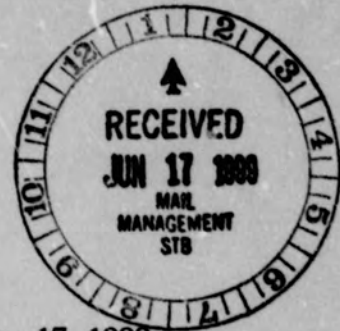
SURFACE TRANSPORTATION BOARD

Memorandum

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Office of the Secretary

JUN 17 1999

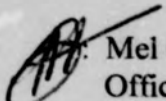
Part of
Public Record




DATE: June 17, 1999

194828

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

Danford L. Price
Assistant Vice President -
Service Measurements

June 16, 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 11.

Overall, we continue to be pleased with our start-up effort. Our safety performance is strong. Through the first 15 days of June, we have had a 20% improvement in personal injuries on the expanded CSXT system as compared to a year ago. FRA-reportable train accidents are flat compared to the same time period.

The support we have received from our employees in this effort, particularly from our union employees and the labor leadership, has been nothing short of extraordinary. While we've encountered some spot shortages of crews, the overall availability of crews has been very good.

The fluidity of our system continues to be very good. Total cars on line increased slightly over last week's report, 1,726 cars, less than 1%.

While we have a keen appreciation for successes, we still are aggressively attacking some issues to increase our service performance to the level that we, and our customers, expect. We continue our daily communications with customers and have been gratified by their broad support for us during the transition.

Although the broad picture is favorable, the transition has not been without challenges, and some of those challenges remain. Service last week did not meet our standards in several areas and was affected by the following factors:

- We have seen a surge in traffic. On a positive note, we're getting more traffic than customers indicated CSXT would get, including very heavy originating traffic from the northern New Jersey Shared Assets Area coming to CSXT. All of our terminals in the expanded territory are seeing heavy volumes. While production in the terminals remains high, the processing time is above our standard.

We're reacting to the greater volume by refining and adjusting our operating plan. For example, in Cleveland we implemented new operational procedures to eliminate as many intermediate trains as possible. The number of trains that stop and work in Cleveland has been reduced significantly. At the end of last week, we put into operation two additional tracks in Cleveland to add 9,200 feet of capacity. We plan to add three additional tracks there in the next 45 days that will provide 15,000 feet of support track. This construction is an acceleration of planned increases in capacity at Cleveland. Also, a new fueling plan has been developed. Trains are now being fueled at Willard and mobile fueling is occurring at locations other than terminals (fuel trucks meet trains along line-of-road) in order to avoid congestion and delays at terminals. We continue to watch our volumes closely and will continue to refine our operating plan as needed until the volumes normalize.

- Our earlier data integrity problems largely have been resolved. But the data quality issue resulted in congestion at some of our yards, particularly Avon in Indianapolis, that we're working to bring current. We are still finding a few data translation issues that we're attacking as they surface.
- Although we have a sufficient number of train and engine personnel, the job selection process for the employees created a shortage of qualified crews from Baltimore to northern New Jersey that is affecting service on the I-95 corridor. We're working hard to qualify those crews. In the meantime, we have other actions in place or under way to minimize the impact: We're providing pilots until the qualifications are complete; we have resized the pools; we have brought in brakemen from other locations; and we have relocated three pool assignments. It's important to note that we have received tremendous support from our labor leadership in tackling this problem.

Looking ahead to next week's report, we anticipate seeing some improvement on the crew issue in the Baltimore/Philadelphia/northern New Jersey area. The 12-car derailment that occurred near Utica, N.Y., on Monday closed one mainline for 12 hours and the other main for 24 hours. Among the results of that accident were crews and power out of cycle, and we anticipate seeing higher dwell times for Selkirk reflected in next week's report.

As we debug the data issues, as traffic patterns normalize and as interchange occurs more regularly, we anticipate we will see increasing improvements in service performance.

Sincerely,

Danford L. Price
Assistance Vice President
Service Measurements

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/11/99

Train Originations

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	6/7/99	6/8/99	6/9/99	6/10/99	6/11/99
North Jersey SAA	Number of Originations	3	8	6	5	5
	% Ontime	67%	25%	33%	40%	20%
	% Late 0-2 Hours	0%	13%	0%	0%	0%
	% Late 2-4 Hours	0%	0%	17%	0%	20%
	% Late 4-6 Hours	0%	13%	0%	20%	0%
	% Late GT 6 Hours	33%	50%	50%	40%	60%
South Jersey SAA	Number of Originations	2	5	3	5	2
	% Ontime	0%	0%	0%	0%	50%
	% Late 0-2 Hours	50%	0%	0%	20%	0%
	% Late 2-4 Hours	0%	20%	67%	60%	0%
	% Late 4-6 Hours	0%	20%	0%	0%	50%
	% Late GT 6 Hours	50%	60%	33%	20%	0%
Detroit SAA	Number of Originations	3	6	8	4	7
	% Ontime	0%	17%	50%	0%	57%
	% Late 0-2 Hours	33%	33%	25%	50%	14%
	% Late 2-4 Hours	33%	0%	0%	0%	0%
	% Late 4-6 Hours	33%	0%	13%	25%	0%
	% Late GT 6 Hours	0%	50%	13%	25%	29%

CSX Comments: Road train origination performance reflects the impact of the crew and power availability/imbalances of both owning roads.

Surface Transportation Board

SAA Performance Measures

Composite of NS/CSX Traffic

For the week ending: 06/11/99

Yard Performance

		Monday	Tuesday	Wednesday	Thursday	Friday
Location	Measure	6/7/99	6/8/99	6/9/99	6/10/99	6/11/99
Oak Island, NJ	Fluid Capacity	1200	1200	1200	1200	1200
	Cars On Hand - Loaded	885	729	606	586	794
	Cars On Hand - Empty	679	614	818	719	908
	Cars On Hand - Total	1564	1343	1424	1305	1702
	Cars Handled	212	365	587	383	860
	Dwell Hours	53.0	54.3	41.0	44.9	49.2
Pavonia, NJ	Fluid Capacity	900	900	900	900	900
	Cars On Hand - Loaded	240	357	280	406	271
	Cars On Hand - Empty	340	393	497	503	363
	Cars On Hand - Total	580	750	777	909	634
	Cars Handled	195	203	263	358	297
	Dwell Hours	65.6	58.3	27.2	47.2	45.8
North Yard, MI	Fluid Capacity	850	850	850	850	850
	Cars On Hand - Loaded	325	375	288	269	318
	Cars On Hand - Empty	221	261	306	224	273
	Cars On Hand - Total	546	636	594	493	591
	Cars Handled	149	259	296	205	316
	Dwell Hours	29.1	34.1	49.6	43.1	42.6

CSX Comments: Daily car counts increased over the prior week due to an increased number of cars which completed their terminal cycles in the Conrail database. Terminal dwell hours increased primarily due to availability/imbances of road crews and power of both owning roads, which resulted in delays in departing originating trains made available to the owners. Terminal dwell reflects all cars handled in those yards (excluding relay cars) irrespective of status

NORFOLK SOUTHERN

George A. Aspatore
General Solicitor

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

June 16, 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. 33358, for the week ending June 11, 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. 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 16, 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 experience traffic delays in the second week into the Conrail Transaction. Integration of the new operating plan and the transitional traffic flows in conjunction with computer problems have generated increased dwell times at several of the northern classification yards. Bellevue, Columbus, and Conway have experienced increased terminal dwell times, while Allentown and Decatur have remained level. Although Bellevue, Columbus, and Conway have shown increased terminal dwell times, the yards are fluid and switching operations continue. Terminal dwell times at the southern classification yards have not experienced any significant increase.

The terminal delays at Bellevue, Columbus, and Conway have degraded train performance on the Penn and Southwestern Gateway Routes and through the Chicago Gateway. The poor performance can be most closely linked to delays at origin and intermediate terminals due to issues already noted.

As on Norfolk Southern, delays within the Shared Assets areas can be attributed to the integration of a new operating plan and ongoing computer problems similar to those experienced on NS.

With increased familiarity with the process and additional phone lines and staff, the crew management situation has greatly improved.

We are continuing to investigate and remediate the remaining computer problems surrounding car classification, movement reporting, and electronic communication with other roads. We have made significant improvements from the previous week

Mr. McIvin F. Clemens, Jr.

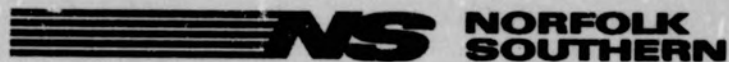
June 16, 1999

Page 2

and feel that we have addressed the major system issues. In the coming weeks, we hope to resolve the remaining issues.

Sincerely,

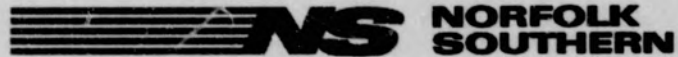
Jon L. Manetta



For the week ending 6/11/99

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	7-Jun	3	0%	33%	33%	33%	0%
	8-Jun	6	17%	33%	0%	0%	50%
	9-Jun	8	50%	25%	0%	13%	13%
	10-Jun	4	0%	50%	0%	25%	25%
	11-Jun	7	57%	14%	0%	0%	29%
Detroit Total		28	32%	29%	4%	11%	25%
North Jersey	7-Jun	3	67%	0%	0%	0%	33%
	8-Jun	8	25%	13%	0%	13%	50%
	9-Jun	6	33%	0%	17%	0%	50%
	10-Jun	5	40%	0%	0%	20%	40%
	11-Jun	5	20%	0%	20%	0%	60%
North Jersey Total		27	33%	4%	7%	7%	48%
South Jersey	7-Jun	2	0%	50%	0%	0%	50%
	8-Jun	5	0%	0%	20%	20%	60%
	9-Jun	3	0%	0%	67%	0%	33%
	10-Jun	5	0%	20%	60%	0%	20%
	11-Jun	2	50%	0%	0%	50%	0%
South Jersey Total		17	6%	12%	35%	12%	35%
Grand Total		72	26%	15%	13%	10%	36%



For the week ending 6/11/99

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	6/7/99	850	221	325	546	149	29.1
	6/8/99	850	261	375	636	259	34.1
	6/9/99	850	306	288	594	296	49.6
	6/10/99	850	224	269	493	205	43.1
	6/11/99	850	273	318	591	316	42.6
North Yard MI Average		850	257	315	572	245	40.9
Oak Island NJ	6/7/99	1200	679	885	1564	212	53.0
	6/8/99	1200	614	729	1343	365	54.3
	6/9/99	1200	818	606	1424	587	41.0
	6/10/99	1200	719	586	1305	383	44.9
	6/11/99	1200	908	794	1702	860	49.2
Oak Island NJ Average		1200	748	720	1468	481	47.6
Pavonia NJ	6/7/99	900	340	240	580	195	65.6
	6/8/99	900	393	357	750	203	58.3
	6/9/99	900	497	280	777	263	27.2
	6/10/99	900	503	406	909	358	47.2
	6/11/99	900	363	271	634	297	45.8
Pavonia Average		900	419	311	730	263	47.3

STB

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SURFACE TRANSPORTATION BOARD

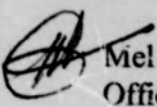
Memorandum

194684



DATE: June 7, 1999

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

FROM :  Miel Clemens, Director
Office of Compliance and Enforcement

Office of the Secretary

JUN 07 1999

Public Records

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

June 7, 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. Shudtz, Vice President
Law & General Counsel

Paul R. Hitchcock - J150
Senior Counsel

CSX TRANSPORTATION, INC.
STB OPERATIONAL MONITORING REPORT
As of May 31, 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 May 31, 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. BMWE's and IAM's petitions for review of the arbitrated BMWE 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 May 31, 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. *Letters were recently sent to the Brotherhood of Railway Carmen Division-TCU, Brotherhood of Maintenance of Way Employes and the Transport Workers Union of America.* 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 May 31, 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) <i>Complete</i>	2Q 99
4b) Sidney, Ohio	b) Connection Track	b) Complete	4Q 98
4c) Marion, Ohio	c) Rehabilitate Connection Tracks	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) 2Q 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.	<i>Complete</i>	2Q 99

STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location	Project	Status	Expected Completion Date
10) Chicago, Illinois	Chicago area-upgrade connection tracks and other improvements.	<i>Complete</i>	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	<i>Complete</i>	2Q 99
14) Dolton, Illinois	Connection track @ Lincoln Avenue CSX/IHB	<i>Complete</i>	2Q 99

STB OPERATIONAL MONITORING REPORT

As of May 31, 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	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. CSX and NS will work with all affected customers and EDI vendors to develop migration plans	<i>Planned customer conversions to CSX Electronic Commerce tools are complete.</i>	<i>All customers targeted for conversion to CSX electronic commerce tools have received detailed information regarding the changes.</i>

STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
Operations Personnel Crew Management	<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>	Systems development in process and on schedule.	<p>CSX Payroll officers will train T&E 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>
Transportation Car Management and Movement	<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>	Systems development in process and on schedule.	<p>Conrail Car Management team has been hired for the transition period. Training of Conrail Car Management staff <i>has been completed.</i></p> <p>Training of affected field location personnel to begin 30 days prior to each field roll-out phase.</p>

INFORMATION TECHNOLOGY

STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

Operating Area	Implementation Strategy	Status	Training
<p>Transportation</p> <p>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. 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><i>System Testing was completed. Implementation steps are in progress.</i></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>

INFORMATION TECHNOLOGY

Operating Area	Implementation Strategy	Status	Training
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STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

<p>Transportation 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 : Albany, Indianapolis & Philadelphia complete.</p> <p>Dearborn Division started.</p> <p>Dearborn will be complete Mid-August 1999.</p> <p>Phase 2 realignments: <i>Two dispatcher desks moved from Mt. Laurel to Albany 5/4/99.</i> <i>One dispatcher desk scheduled to move from Dearborn to Indianapolis 6/15/99.</i></p> <p>Phase 2 projected to complete 30-60 days after Day 1.</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>
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STB OPERATIONAL MONITORING REPORT

As of May 31, 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

A cut-over of up to 18 hours is planned for May 31 – June 1, during which time the CSX and Conrail TRIMS systems will be linked and combined data downloaded as appropriate. This will include a testing period involving the individual terminals, and a re-ordering of the car location data as required. *Dress rehearsals for the system cut-over were conducted last week to verify each step of the plan for required Day One systems changes. Issues that occurred during the rehearsals have been addressed to ensure a smooth transition.*

During the system cut-over, a limited and predetermined number of trains will run to destination. Predominantly, these will be unit trains of coal and intermodal trains. Specified terminals will continue switching using information provided prior to cut-over. NS and CSX ownership cars will be moved toward their appropriate interchange points, as well. These steps will help keep those key terminals fluid, as well as provide for rapid transitional start-up once the linked systems are brought on line.

Personnel

Classroom training in CSX systems and procedures has remained on schedule, and will be completed in time for cut-over. To provide further support to newly-trained customer service employees, *15 contract Specialist positions have been advertised and awarded. These Traveling Specialists are currently receiving orientation training, and later this week will travel to Pittsburgh and sit with the positions they will be assisting on and after Split Date.*

Non-contract Customer Service managers have all received assignments for protecting the cut-over, and will begin providing 24 hour, 7 day coverage beginning at 06:00 May 31, 1999.

STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

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 will continue to emphasize the importance of providing correct bill of lading routing instructions. Beginning June 1, but not before, 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 will have a large number of additional staff on duty to manually correct misbills over the first several weeks, and will work actively with customers to accomplish correct billing as soon as possible.

STB OPERATIONAL MONITORING REPORT

As of May 31, 1999

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 May 31, 1999

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 May 31, 1999

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Note: Bold print indicates changes from previous report.

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

** Data not required at this time.

Surface Transportation Board Operational Monitoring Report

As of May 31, 1999

LABOR

Labor Implementing Agreements

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. The STB has dismissed TWU's petition for review.
Brotherhood of Maintenance and Way Employees	Implementing Agreement reached. The STB has dismissed BMW's and IAM's appeals.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

As of May 31, 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 May 31, 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
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	
			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	Complete
			Signal	Design	Complete
				Grading	Complete
				Const	Complete
				Design	Complete
Buffalo - Cleveland	NY	Traffic control system and remove pole line.	Signal	Design	Complete
	OH	Estimated Completion Date: Complete		Const	Complete
Butler	IN	Construct track connection Estimated Completion Date: 4Q99	Track	Design	Project being defined.
				Grading	
			Signal	Const	
				Design	
				Const	
Chicago	IL	Expand and improve 47th St Yard Intermodal Terminal Estimated Completion Date: 4Q99	Track	Design	In progress
				Grade/Pave	

Surface Transportation Board Operational Monitoring Report

As of May 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
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
			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 Track	Design Grading Const	Complete Complete Complete
			Bridge	Design Const	Complete Complete
			Signal	Design Const	Complete Complete
Croxtan	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	
Hadley Jct (Ft Wayne)	IN	Double tracking Estimated Completion Date: 4Q99	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 Complete Complete
			Signal	Design Const	Complete Complete
Hagerstown Sec	PA	Traffic Control Estimated Completion Date: 4Q99	Signal	Design Const	In progress

Surface Transportation Board Operational Monitoring Report
As of May 31, 1999

CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Harrisburg (Rutherford)	PA	Construct intermodal terminal Estimated Completion Date: 2Q00	Track	Design Grade/Pave	In progress In progress
Harrisburg - Reading	PA	Traffic Control System and remove pole line Estimated Completion Date: 4Q99	Signal	Design Const	In progress In progress
KD Tower - Cumberland Falls	KY	Extending double track 40,120 feet Estimated Completion Date: 3Q99	Track	Design Grading Const	Complete In progress In progress
			Signal	Design Const	Complete In progress
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
Oak Harbor	OH	Construct track connection Estimated Completion Date: Complete	Land Track	Design Grading Const	Complete 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 Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete
Pattensburg	NJ	Tunnel Clearance Estimated Completion Date: 3Q99	Bridge	Design Const	Complete In progress
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 Track	Design Grading Const	Complete Complete Complete
			Signal	Design Const	Complete Complete

Surface Transportation Board Operational Monitoring Report
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CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
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	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete
Reading - Philadelphia	PA	Traffic Control System and remove pole line	Signal	Design	In progress
	PA	Estimated Completion Date: 2Q00		Const	
Riverton Jct - Roanoke	VA	Clearance projects	Bridge	Design	Complete
	VA	Estimated Completion Date: Complete		Const	Complete
Sandusky (Bellevue)	OH	Construct Triple Crown Terminal Estimated Completion Date: Complete	Track	Design	Complete
				Grade/Pave	Complete
			Building	Const	Complete
Sidney	IL	Construct track connection Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete
Sido	MO	Double tracking 36,458 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Bridge	Design Const	Complete
			Signal	Design Const	Complete
Sloan	IL	Extend siding 5,027 track feet Estimated Completion Date: Complete	Track	Design	Complete
				Grading	Complete
				Const	Complete
			Signal	Design Const	Complete
Southern Tier	NY	Southern Tier Rehabilitation Estimated Completion Date: 4Q99	Track	Const	Project being defined.
			Bridge	Design Const	In progress
St Louis (Mitchell)	MO	Expand Mitchell Triple Crown Terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	In progress
			Signal	Design Const	In progress
Toledo	OH	Intermodal Terminal Estimated Completion Date: 4Q99	Track	Design Grade/Pave	Project being defined.

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CONSTRUCTION AND OTHER CAPITAL PROJECTS

Location		Project	Dept	Phase	Status
Tolono	IL	Track Connection Estimated Completion Date: 2Q99	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
				Const	Complete

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.

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INFORMATION TECHNOLOGY

Systems Integration

The NS technology integration strategy calls for NS systems to be used on the Conrail properties that NS will operate. Some of the NS systems will be operational for the new area effective Closing Date, while others, particularly the transportation systems, will be integrated geographically over a period of several months after Closing Date.

There are two components that are required to implement this strategy. First, NS's systems group must ensure that our systems have the capacity to accommodate the operation of the new territory. Second, the Conrail systems group must modify existing Conrail systems so that they will become compatible with the NS systems upon Closing Date.

In order to prepare for the implementation of the new systems, each project must go through a planning stage and a development stage. The planning stage of the systems integration process involves the analysis and preparation of functional and technical specifications for the systems and the subsequent development stage involves the construction (coding), and testing of the systems.

There are three phases of testing through which our transportation and operations systems must undergo: unit, systems and integration. All of the operations systems have completed or are nearly finished with integration testing. The integration testing of the transportation systems is underway and will be complete in the Second Quarter of 1999. Once the new systems are implemented across all of the NS geography, use of the Conrail systems will be discontinued.

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report
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INFORMATION TECHNOLOGY

Systems and Personnel Training

Operating Area	Project	Status
TRANSPORTATION		
Car Management and Movement	Systems – Multiple projects	Development, Systems and integration testing Estimated completion date: 2Q99
Includes Thoroughbred Yard Enterprise System (TYES) and Central Yard Operations (CYO) System	Personnel Training	
	Prepare training materials for TYES and CYO	Complete
	Trainer orientation	In progress
	TYES training at Conrail locations	In progress
Train Dispatching	Systems	Development complete; Currently in implementation Estimated Completion date: 2Q99
	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
Locomotive Management	Systems	Development complete; Integration testing in progress Estimated completion date: 2Q99
	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Estimated completion date: 2Q99
	Train employees at 8 Conrail locations	Estimated completion date: 2Q99

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INFORMATION TECHNOLOGY

Operating Area	Project	Status
OPERATIONS PERSONNEL		
Crew Management	Systems	Final stages of integration testing Estimated completion date: 2Q99
	Personnel Training	
	Prepare training materials	Complete
	Train Conrail employees	Estimated completion date: 2Q99
Train and Engine (T&E) Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Train T&E crews	Estimated completion date: 3Q99
Non-Train and Engine Payroll	Personnel Training	
	Prepare training materials; conduct pilot sessions	Complete
	Trainer orientation	Complete
	Train Conrail employees	Estimated completion date: 3Q99
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	Estimated completion date: 2Q99

Note: Bold print indicates changes from previous report.

Surface Transportation Board Operational Monitoring Report

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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.

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. We also still expect to make offers to approximately 215 Conrail agreement personnel when implementing agreements have been consummated with TCU. For those positions in Customer Service which Conrail personnel elected not to fill, NS is in the process of interviewing and training additional personnel.

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 in the process of being distributed. This guide will provide customers with all resources and information necessary for doing business with the new NS.

The Help Desk Directory, to be released at a later date, will also provide a way for customers and employees to easily obtain information about NS. 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.

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TRANSPORTATION
Robert V. Allen
General Manager-
Safety, Environmental & Opr. Practices

500 Water Street - J305
Jacksonville, FL 32202
(904) 359-7502
(FAX) (904) 359-4889

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Public Record

May 28, 1999



BY OVERNIGHT 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

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 twenty-five (25) copies of Quarterly Report Number 3 for CSX Corporation and CSX Transportation, Inc. on Environmental Condition 8(a): Highway/Rail At-Grade Crossings for filing in the above-referenced docket.

I thank you for your assistance in this matter. Please contact me at (904) 359-7502, if you have any questions.

Respectfully yours,

Robert V. Allen

Enclosure

cc:

Elaine K. Kaiser (5 copies)

**SURFACE TRANSPORTATION BOARD
STB FINANCE DOCKET 33388**

**CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
-CONTROL AND OPERATING LEASE AGREEMENTS-
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION**

**Decision 89, as Amended by Decision 96
Appendix Q, Environmental Conditions
III. Local or Site-Specific Environmental Conditions
Condition 8(A): Highway/Rail At-Grade-Crossings**

**Quarterly Report Number 3 for
CSX Corporation and
CSX Transportation, Inc.**

May 28, 1999

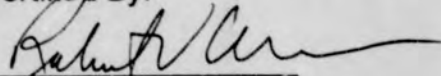
CERTIFICATION OF PROJECT COMPLETION

In accordance with Environmental Condition 8(A) set forth in Appendix Q to Decision No. 89, of the Surface Transportation Board in Docket No. 33388, CSX Corporation and CSX Transportation, Inc. ("CSX") hereby certify that CSX has complied with the requirements of Conditions 8(A) with respect to the following **eight (8)** locations. Additions to this report since the previous report are shown in **bold print**:

State	Crossing Name, County, and City	FRA ID	Rail Line Segment ID	Current Warning Device	Proposed Post-Acquisition Device	Completion Date
OH	Main St., Henry, Deshler	155755Y	C-065	Flashing Lights	Gates	Complete 5/28/98
OH	Kellogg Rd., Wood, Tontogany	155754P	C-065	Passive	Gates	Complete 5/24/98
OH	Middletown, Pike, Wood, Haskins	155804T	C-065	Passive	Flashing Lights	Complete 9/3/98 (flashing lights & gates installed)
OH	Eckel Jct. Rd., Wood, Perrysburg	155818B	C-065	Passive	Flashing Lights	Complete 5/20/98 (flashing lights & gates installed)
OH	Ford Rd., Wood, Rossford	155838M	C-065	Passive	Gates	Complete 5/21/98
OH	Roachton Road, Wood, Perrysburg	155814Y	C-065	Passive	Flashing Lights	Complete 11/11/98 (flashing lights & gates installed)
OH	Marsh Road, LaRue	518382H	C-017	Passive	Flashing Lights	Complete 12/10/98 (flashing lights & gates installed)
OH	Townline Rd., New London	518488D¹	C-061	Passive	Gates	Complete 2/8/99

On May 27, 1999, CSX submitted the Railroad Corridor Agreement with the State of Ohio to the Surface Transportation Board which addresses the remaining 12 highway/rail at-grade crossings located in the State of Ohio which are listed under "CSX" in Environmental Condition 8(A).

Certified By:



Robert V. Allen
GM, Safety Environmental
& Operating Practices

Date: May 28, 1999

¹**Note:** Decision No. 89 incorrectly lists the FRA ID on this crossing as 514488D, the correct FRA ID# is 518488D.