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**Alan H. Shaw**  
President & CEO

April 17, 2024

The Honorable Pete Buttigieg  
Secretary of Transportation  
1200 New Jersey Ave SE  
Washington, DC 20590

The Honorable Amit Bose  
Administrator, Federal Railroad Administration  
1200 New Jersey Ave SE  
Washington, DC 20590

The Honorable Martin J. Oberman  
Chairman, Surface Transportation Board  
395 E Street SW  
Washington, DC 20423

Re: Update on Safety and Service Initiatives

Dear Mr. Secretary, Mr. Administrator, and Mr. Chairman:

The purpose of this letter is to update you on recent progress Norfolk Southern has made with its safety and service initiatives. We are pleased that the implementation of our balanced strategy focused on service, productivity, and growth, with safety at its core, is taking shape. We are building a resilient railroad with a safe, compelling service product that has benefited not only the customers and supply chains that rely on our service, but also the communities we serve.

*Further Safety Progress*

Since my update to Secretary Buttigieg in January, we have made further progress on our Six Point Action Plan for Safety and in implementing the recommendations of the Federal Railroad Administration (FRA) from its August 2023 Safety Assessment. We were happy to meet with Administrator Bose and other members of FRA's senior leadership team on April 4 to provide this update in person.

With regard to our Six Point Action Plan, we have installed an additional 50 new hot bearing detector (HBD) systems at 29 separate sites on our network so far this year. We are on track to achieve our goal of bringing our total number of HBD sites to over 800 and reducing our average HBD spacing on key routes to approximately 11 miles by the end of 2024. Building on the successful deployment of a next-generation HBD site last December, we expect to have installed a second system from a different vendor by the end of the summer. We also are making further progress on our effort to share HBD data across interchange locations with other railroads, and we expect to implement that program by the end of the year.

We continue to collect data from the 17 new acoustic bearing detector systems we installed in 2023. As I noted in my January letter to Secretary Buttigieg, we will evaluate this data throughout the year and assess whether to install additional acoustic bearing detectors.

We installed another next-generation digital train inspection portal at Jackson, Georgia, on March 15, supplementing the first two systems placed in service at Leetonia, Ohio in 2023. We are on track to install four additional systems by the end of 2024.

Rounding out the update on our Six Point Action Plan, we are very pleased to have begun implementation of our Confidential Close Call Reporting System (C3RS) pilot program, the first such program for a Class 1 railroad, at three major locations on our network – Atlanta, Elkhart, and Roanoke. We signed the Implementing Memorandum of Understanding with FRA and relevant labor organizations on February 15. Peer Review Team training was completed by the end of February, and we held kickoff events the week of March 18. We are grateful to FRA and to our rail labor partners in helping us to achieve this important safety milestone.

Turning to FRA’s August 2023 Safety Assessment, we have now completed about two-thirds of the action items responsive to the recommendations in that report. Those items have been fully integrated into the implementation plan overseen by our independent safety consultant, AtkinsRealis US Nuclear (formerly Atkins Nuclear Secured, “ANS”), and ANS is providing independent verification that action items are being successfully completed and meeting the intended purpose of the effort. ANS plans to revisit all of the field locations it visited during its initial assessment last year and to gather input from craft employees and labor leaders on our progress. The first of these follow-up labor meetings took place at Harrisburg, Pennsylvania and Conway, Pennsylvania on April 9.

One of the key Safety Assessment initiatives we have completed so far in 2024 is the implementation of a new rules testing program that incorporates Performance Standard Engagement (PSE) principles. PSE principles deemphasize formal discipline in favor of coaching, teaching and training. Our revised rules testing program was submitted to FRA on January 29.

As forecasted in our January letter to Secretary Buttigieg, we launched our Safety Concerns Reporting Application pilot program at two locations – Atlanta and Elkhart – on February 15. The effectiveness of this program was greatly enhanced by FRA’s approval on January 22 of Norfolk Southern’s request to permit employees to use company-supplied electronic devices to take photographs and videos of equipment conditions and safety hazards.

We submitted an amended Risk Reduction Program to FRA on March 29. This amended program, which reflects consultation with labor organizations, responds to findings FRA made about our existing program in 2023. We also are continuing work on a revised conductor certification program, which we intend to submit to FRA in the near future. This revised program will reflect feedback from FRA as well as significant partnership with and input from rail labor.

Encouraged by FRA’s recommendation that we explore new methods to evaluate the effectiveness of our employee training, we completed work earlier this year on a comprehensive training matrix for all crafts that is designed to match necessary skills and training content to each operating craft. We recently created a Field Training group in the Safety Department with the transition of some of our training coordinators from the Human Resources Department. The Field Training group's primary objectives are to create and deliver safety-focused recurrent training and direct engagement with local safety and service committees. Our Human Resources Technical Training team will continue to focus on the initial training of employees. We are confident that the Field Training team will enhance our employees’ safety focus beyond initial onboarding and qualification throughout an employee’s career.

We continue working through our remaining action items, including a project led by our Strategic Communications Task Force to consolidate several existing web-based communication portals into a single, centralized communications hub, a “day of safety” that will provide a full day of safety training to all our train and engine employees, and the continuation of our Ballast Line Leadership program. We are on pace to materially complete the action items responsive to all of FRA’s recommendations in its Safety Assessment by mid-year.

All of these initiatives are important, but safety results matter too. I am pleased to report that Norfolk Southern is on track to meet its aggressive targets for the year on all four of our key safety performance indicators – reportable injuries, serious injuries, reportable train accidents, and reportable mainline train accidents. In addition, we are performing better on each of these metrics than we were at this same time last year.

### Service Progress

While everything starts with safety at Norfolk Southern, we also are intently focused on delivering a reliable, high quality service product to our customers. With the recent hiring of our new Chief Operating Officer, John Orr, who shares my vision for service resilience, our network is achieving levels of fluidity and service consistency not seen in years. Our average train speed has improved five percent in the last four weeks and is on pace for a fourth consecutive quarter of improvement. Terminal dwell has declined nine percent over the same period and is at its lowest level since 2021.

Our enhanced network fluidity has led to improved service for our customers. Our intermodal trip plan compliance, which measures performance of the most service-sensitive segment of our business, is now performing above target and has reached its best performance in several years. Similarly, our merchandise trip plan compliance is on pace for our best month since 2020.

The resiliency of our service product was recently tested by the tragic collapse of the Francis Scott Key Bridge in Baltimore. Because we have the resources in place to respond to unplanned events, we were able to quickly make alterations to our service and create new offerings to support our customers impacted by the closure of the Port of Baltimore.

Specifically, we launched a new international intermodal service between Elizabeth Marine Terminal (EMT) at the Port of New York and New Jersey and the Seagirt Marine Terminal (SMT) in Baltimore, with units moving by rail between EMT and our intermodal facility at Bayview Yard in Baltimore, and then drayed to SMT between the NS facility and SMT pursuant to a subservice provided by our wholly-owned subsidiary, Triple Crown Services, Inc. This service allows customers in and near Baltimore to pick up and drop off their shipments as if a vessel had called at the Port of Baltimore. We also are collaborating with the Port of Virginia to leverage key service points such as the Virginia Inland Port in Front Royal to customers in western Maryland, southern Pennsylvania, and northern Maryland.

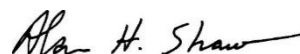
Our strengthened service also enables us to assist a variety of other customers in mitigating the impact of the temporary closure of the Port. We are working with automotive customers to develop solutions through alternate points of entry in Georgia, Florida, Delaware, New York, and New Jersey. We are assisting multiple customers with break bulk cargo, including timber, pulp, and roll-on/roll-off traffic, to seek alternative transportation solutions. And we have made significant service alterations to assist our coal customers in utilizing alternate coastal port and river transloads, including our Lambert's Point terminal in Norfolk and our Ohio River facility in Wheelersburg, West Virginia.

Because of the potential supply chain impacts resulting from the temporary closure of the Port, we know that the federal government has been especially interested in the actions we are taking to ease those impacts. Norfolk Southern representatives have been very pleased to meet with and provide briefings to government officials about our efforts in recent weeks, including Secretary Buttigieg, Deputy Assistant Secretary for Multimodal Freight Infrastructure and Policy Allison Dane Camden, FRA Deputy Administrator Jennifer Mitchell, Surface Transportation Board Members Patrick Fuchs and Michelle Schultz, as well as staff from the White House National Economic Council. Understanding the important role the federal government plays in maintaining the integrity of our nation's supply chain, we stand ready to provide further information at your request.

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Operating safely and providing a high level of service to our customers are core values at Norfolk Southern, and they are central to the strategy I outlined for our railroad soon after I became CEO. While safety and service are continuous processes in our dynamic industry, and our work in these vital areas will never truly be done, I am pleased at the progress Norfolk Southern is making. Your partnership has been critical to our success, and I look forward to continuing our important work together.

Very truly yours,



Alan H. Shaw