

SURFACE TRANSPORTATION BOARD**Ex Parte 755*****Final Offer Rate Review*****ENTERED**
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Summary of Videoconference Meeting between Union Pacific Railroad Company (“UP”), Norfolk Southern Railway Co. (“NS”), CSX Transportation, Inc. (“CSXT”), and the US rail operating subsidiaries of Canadian National Railway (“CN”), and Surface Transportation Board Vice Chairman Marty Oberman

June 29, 2020

Railroad Attendees:

UP: Rhonda S. Ferguson, Executive Vice President, Chief Legal Officer and Corporate Secretary

NS: Vanessa A. Sutherland, Executive Vice President and Chief Legal Officer;

CSXT: Nathan D. Goldman, Executive Vice President, Chief Legal Officer and Corporate Secretary;

CN: Kathryn Gainey, Counsel, U.S. Regulatory Affairs;

STB Attendees: Marty Oberman, Vice Chairman; Ellen Erichsen, Attorney-Advisor.

The railroads thanked the Board for holding these ex parte meetings. The discussion focused on ways that the Board could reform its voluntary arbitration process for smaller rate disputes. The railroads outlined a potential framework for a confidential and non-precedential voluntary arbitration program targeted to smaller rate disputes, and discussed potential changes that the Board could implement to better tailor its voluntary arbitration program to small rate disputes. The railroads explained that these changes could include enhanced confidentiality, greater flexibility in selecting arbitrators, a more streamlined process for determining market dominance, mediation, and mechanisms to tailor relief to

smaller cases. The railroads discussed the reasons why they believed such a voluntary arbitration program would be attractive for both railroads and customers, and a better alternative than other proposals that have been suggested for determining the maximum lawful rate in small rate cases.

Vice Chairman Oberman appreciated the railroads' efforts to develop a proposal for a voluntary arbitration process. Vice Chairman Oberman asked questions about the proposed process, including the potential for flexibility in the methods used, the selection of arbitrators, confidentiality, and potential eligibility for the program. The parties also discussed ideas about ways to encourage participation in voluntary arbitration. The railroads indicated that they were continuing to consider potential changes to such a voluntary arbitration program with other stakeholders.