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January 14, 2022
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Public Record

January 14, 2022

CSXT/PAR-53

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E Street, SW
Washington, DC 20423

Re: **STB Docket No. FD 36472, CSX Corporation and CSX Transportation, Inc., et al.—
Control and Merger—Pan Am Systems, Inc., Pan Am Railways, Inc., Boston and
Maine Corporation, Maine Central Railroad Company, Northern Railroad, Pan Am
Southern LLC, Portland Terminal Company, Springfield Terminal Railway
Company, Stony Brook Railroad Company, and Vermont & Massachusetts
Railroad Company**

Dear Ms. Brown:

Pursuant to the Board's decision served on January 6, 2022 in the above-referenced proceeding, enclosed are CSXT's¹ visual presentations from the public hearing held on January 13-14, 2022.

Respectfully submitted,

/s/ Anthony J. LaRocca

Anthony J. LaRocca
Peter W. Denton
Sally Mordi
*Attorneys for CSX Corporation and
CSX Transportation, Inc.*

¹ The acronyms and defined terms used in this letter are the same as those used in the Revised Application filed in the above-captioned proceeding.

Cynthia T. Brown
January 14, 2022
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Enclosures

cc: Louis E. Gitomer; All parties of record



Pan Am Hearing

1.13.2022





Jamie Boychuk

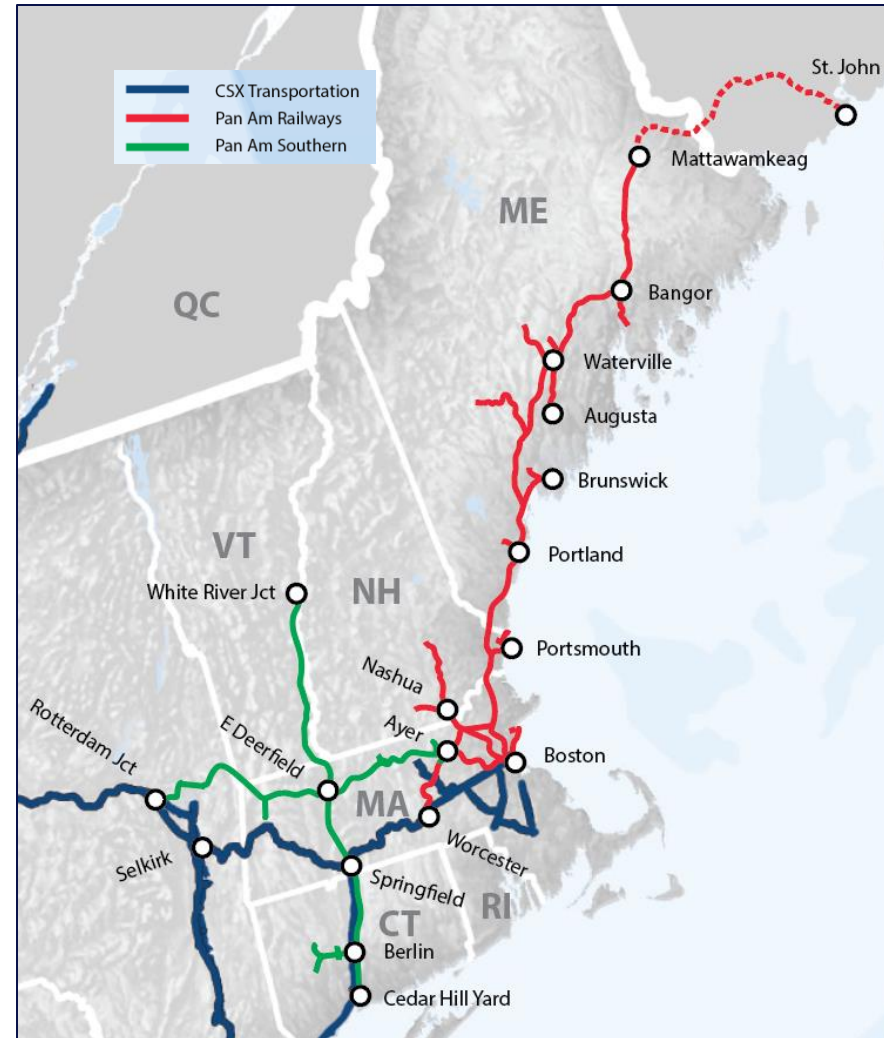
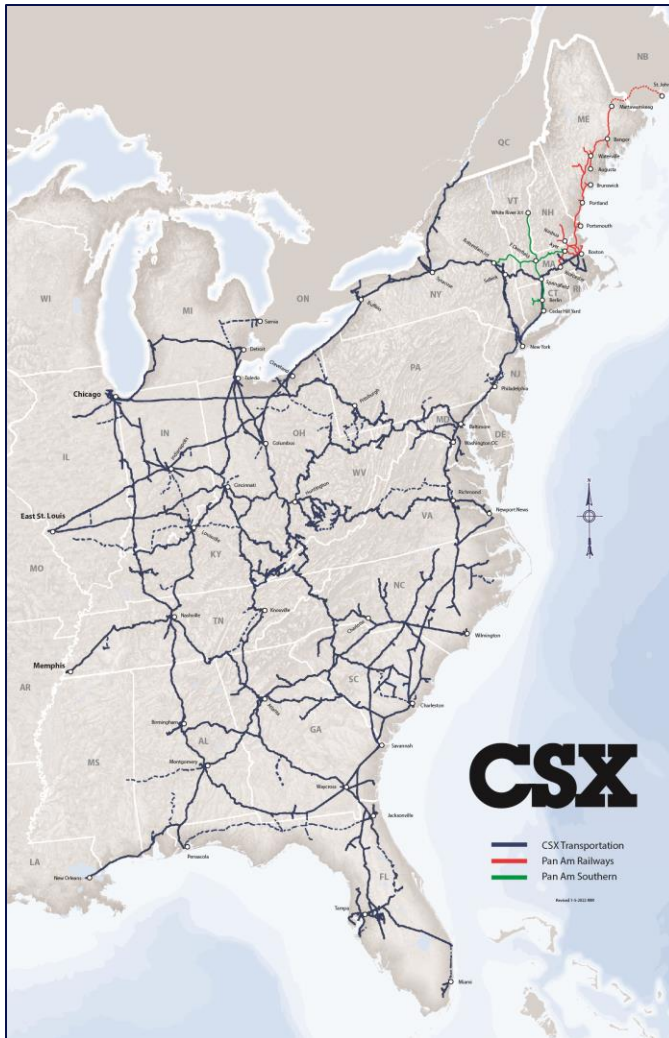
CSX Executive Vice President of Operations



- **Passenger Rail in New England will be enhanced**
- **Safety and environmental benefits resulting from investments in infrastructure and equipment**
- **Customers will benefit from modern and reliable rail service**
- **Rail Labor Interests will be protected**



CSX/Pan Am Overlay Map





Passenger trains operate on ~3,300 mile of the CSX network



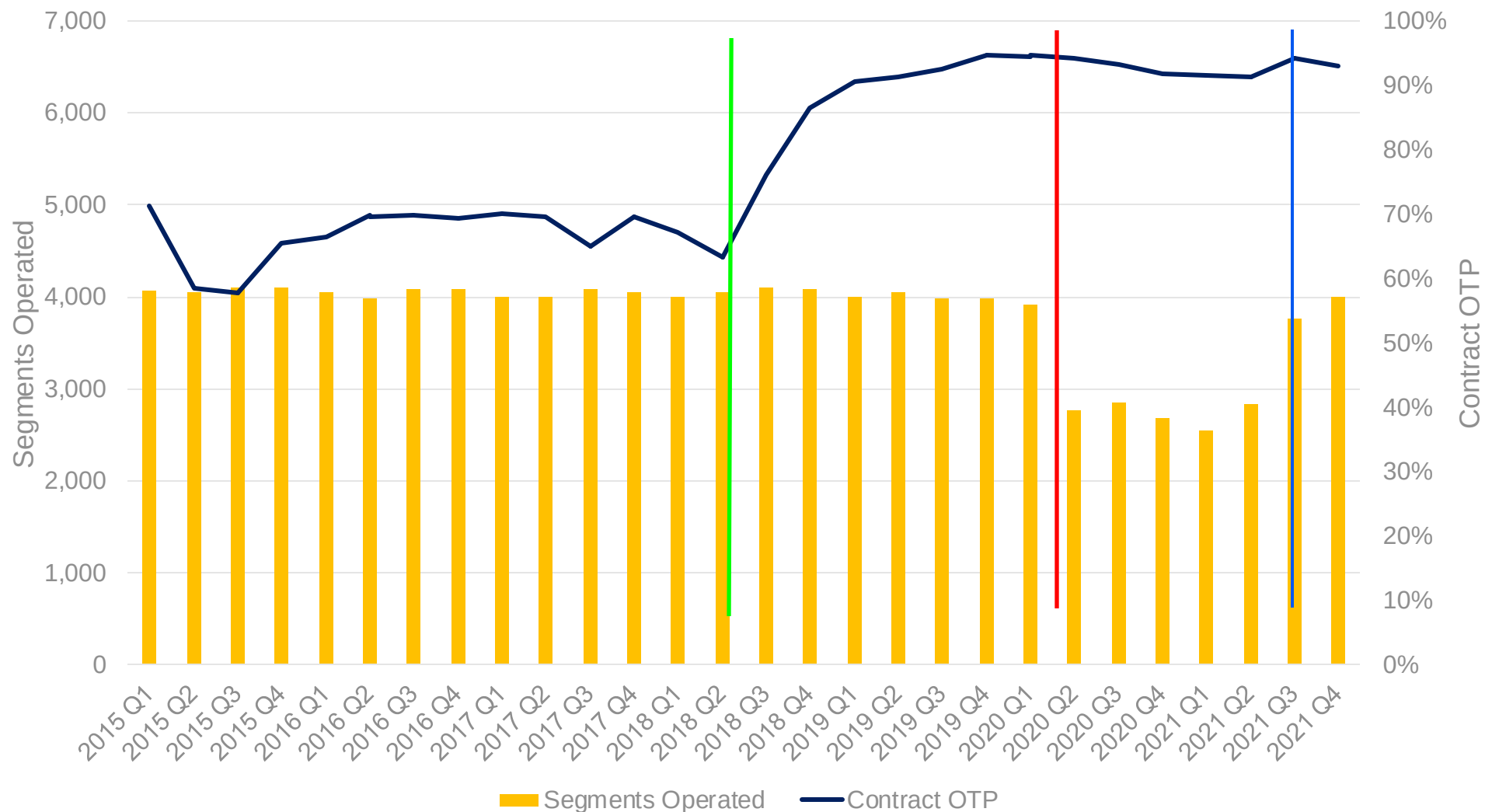
CSX Hosts:	Trains per Day	Avg. Daily Ridership	Miles on CSX
Amtrak	40	10,000	3,226
MARC	40	12,500	116
VRE	32	19,500	59
Total	112	~42,000	

CSX is a tenant on:

- MBTA
- Amtrak NEC/Hudson Line
- Metro North
- SEPTA
- SunRail
- Tri-Rail
- METRA



Amtrak/CSX Contract OTP Trending



**CSX New
Operating Plan**

**Amtrak/COVID
Reduced
Schedules**

**Full schedules
restored**

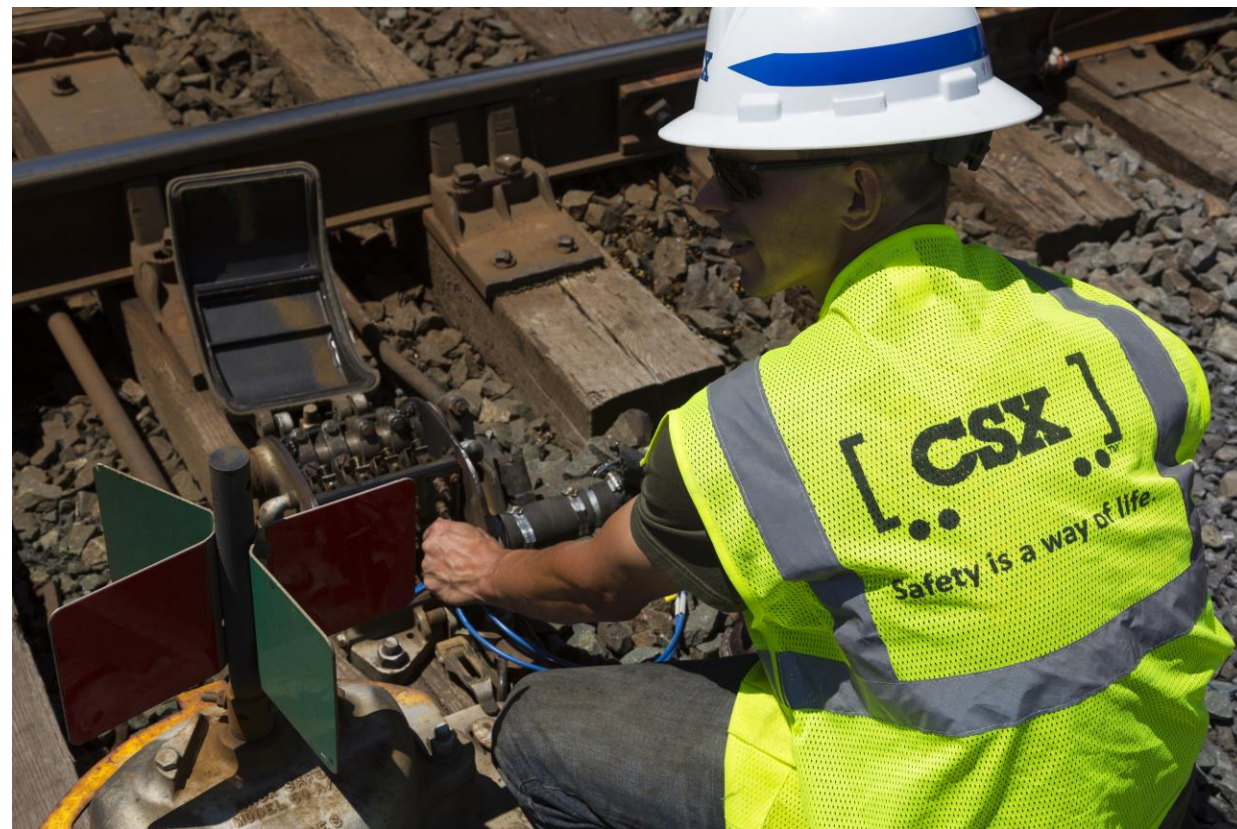


Passenger Rail Benefits





Infrastructure Improvements





Main Line Track Conditions Comparison



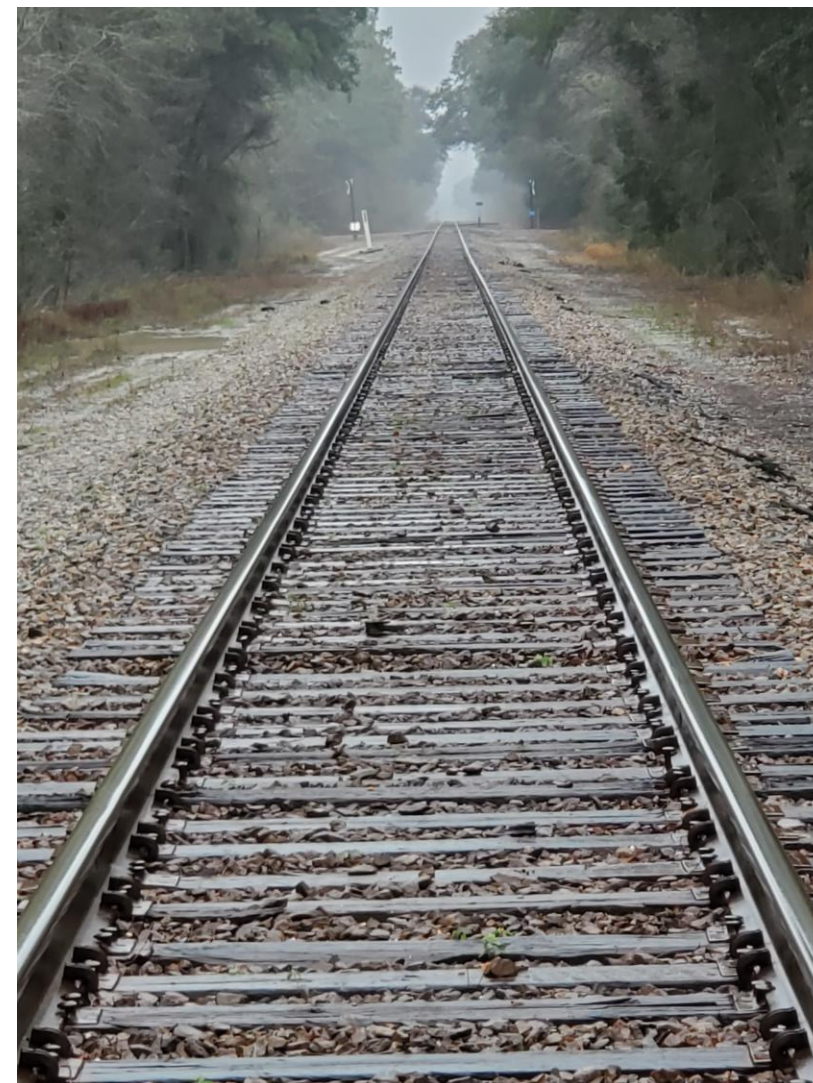


Main Line vs. CSX Main





Branch Line Conditions



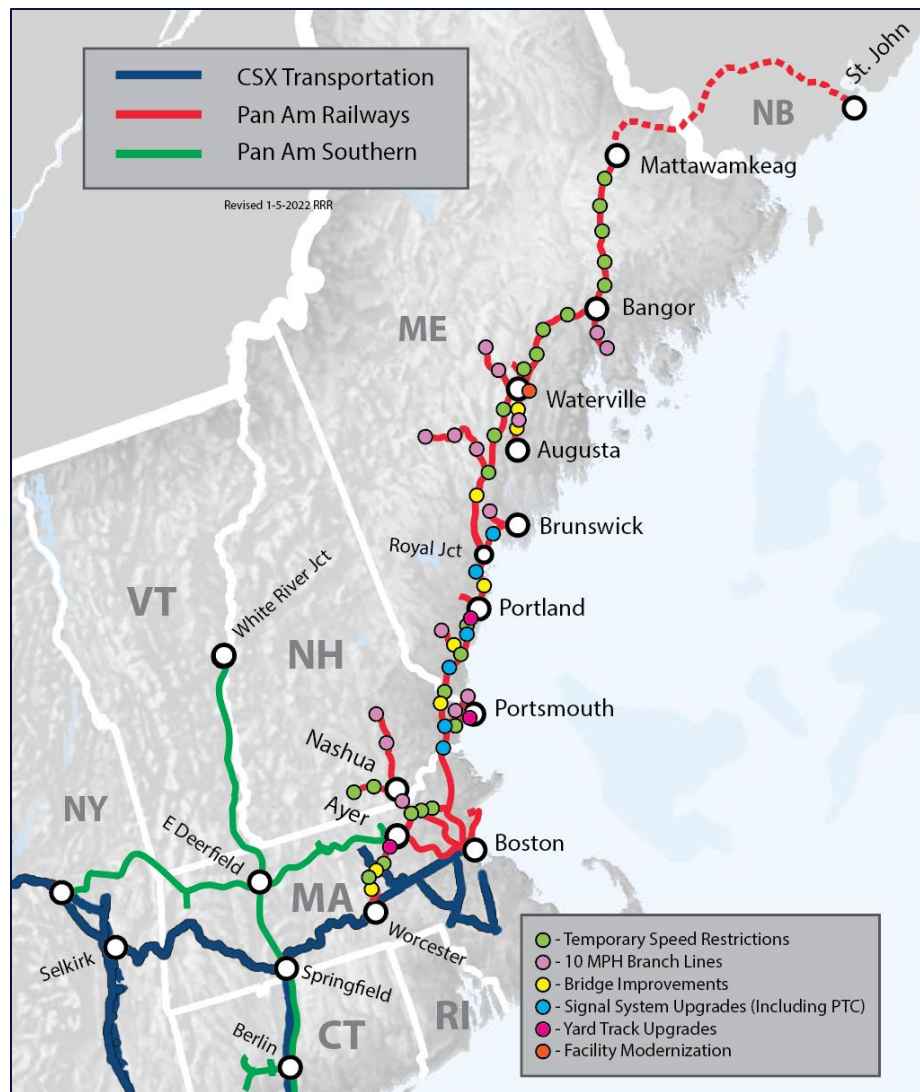


Yard Conditions



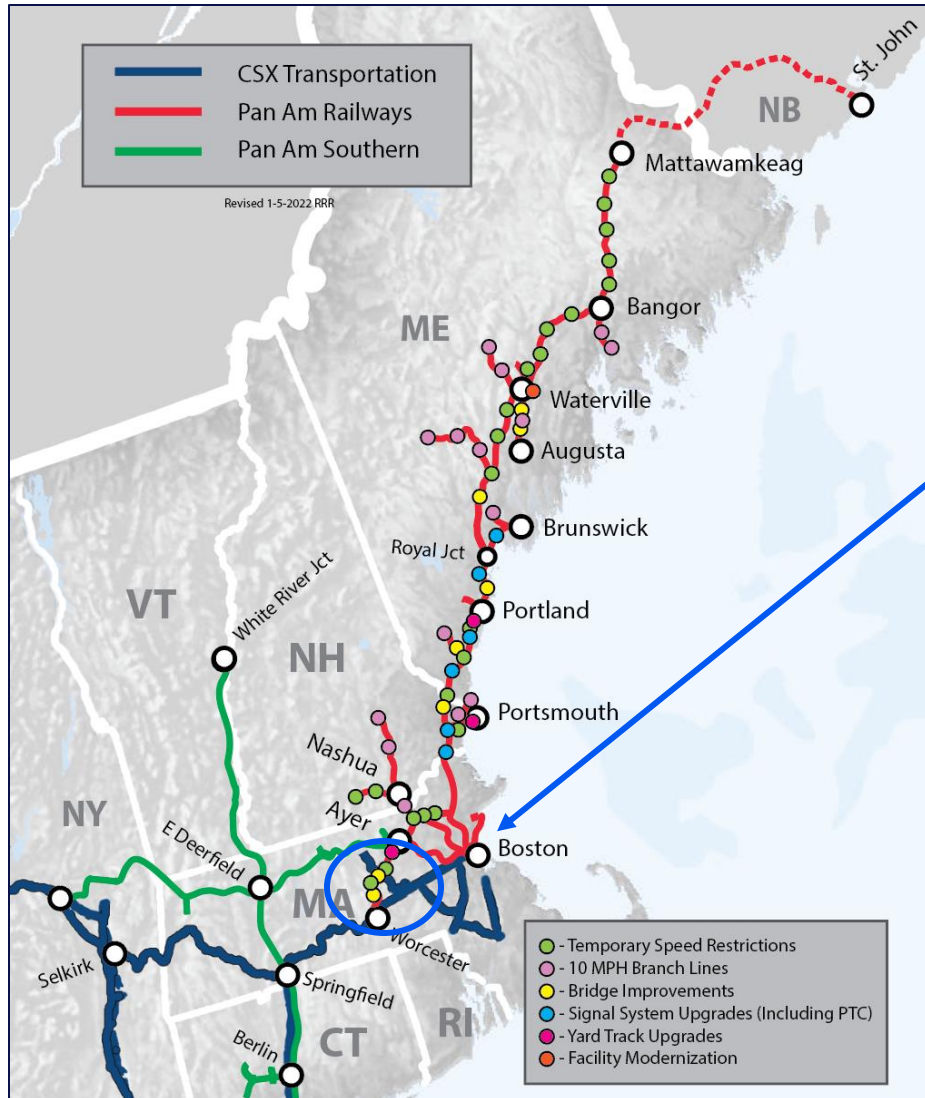


PAR Improvement Projects





Worcester Main Line / Wachusett Reservoir



Worcester Main Line / Wachusett Reservoir

- Mainline Track Upgrades
- Install Defect Detectors
- Enhanced cooperation with MWRA



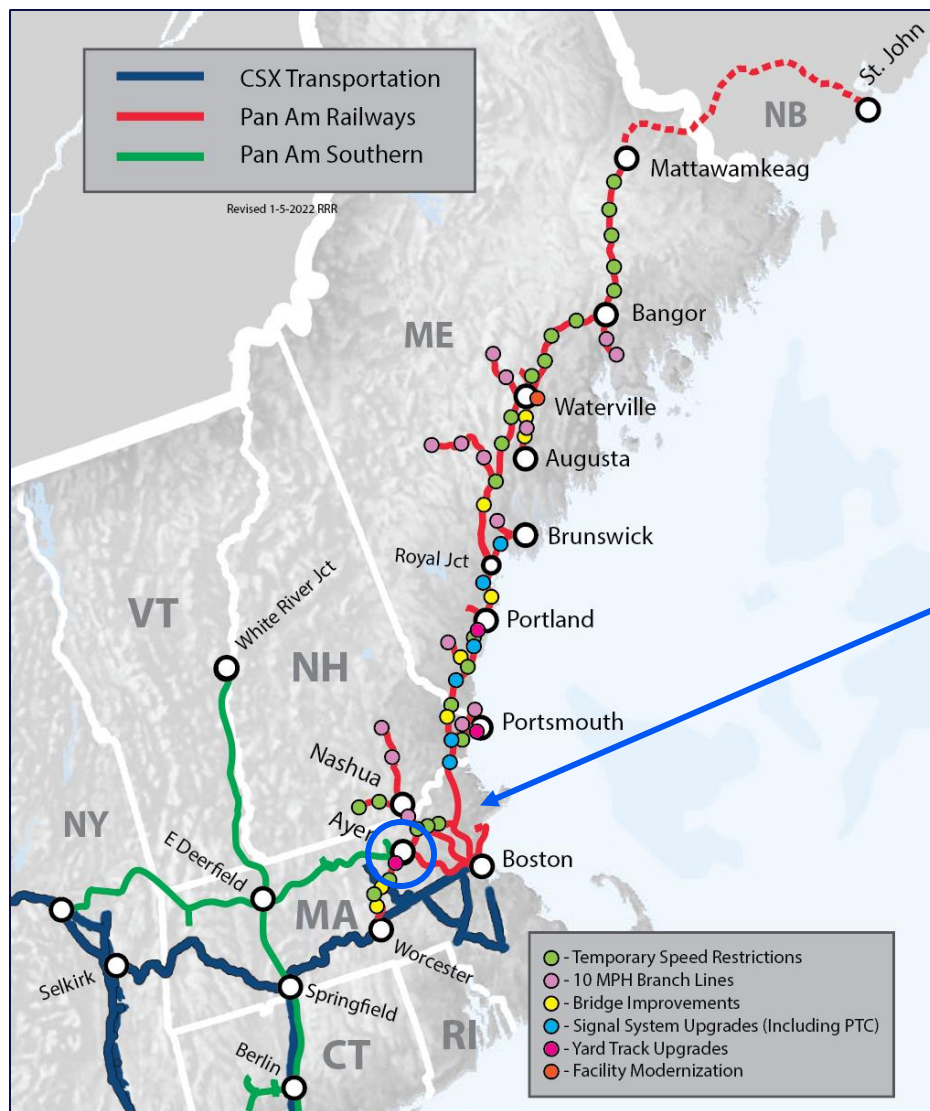


Worcester Main Line (Reservoir) vs. Lee Hall Reservoir CSX Con't.



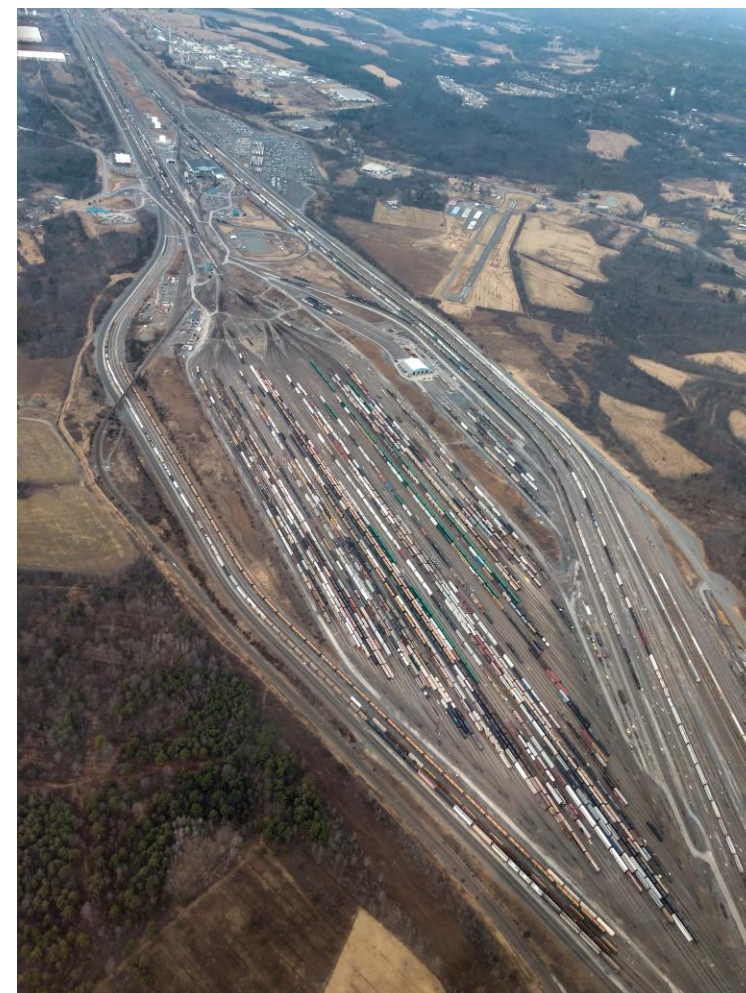
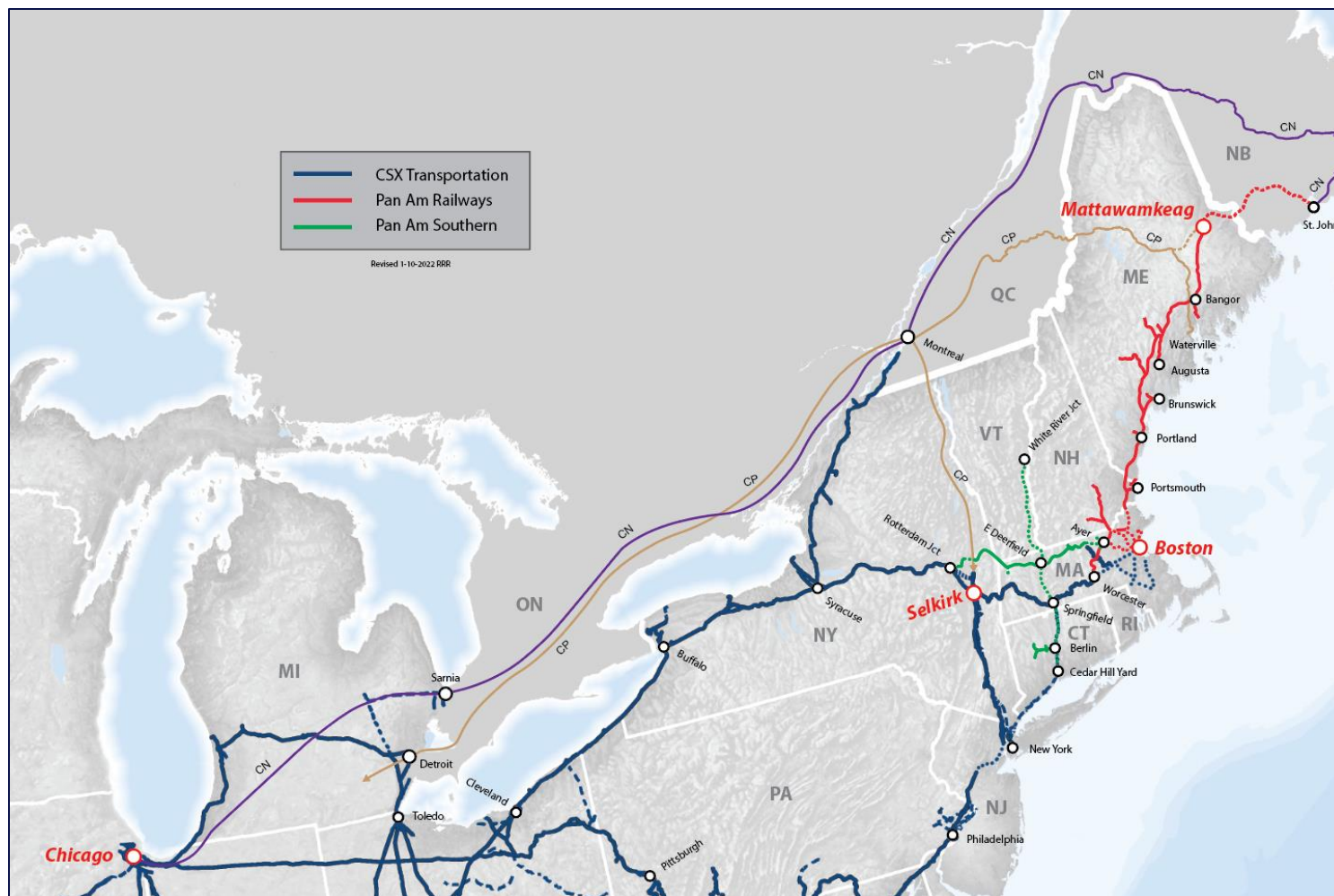


Ayer Terminal Improvements



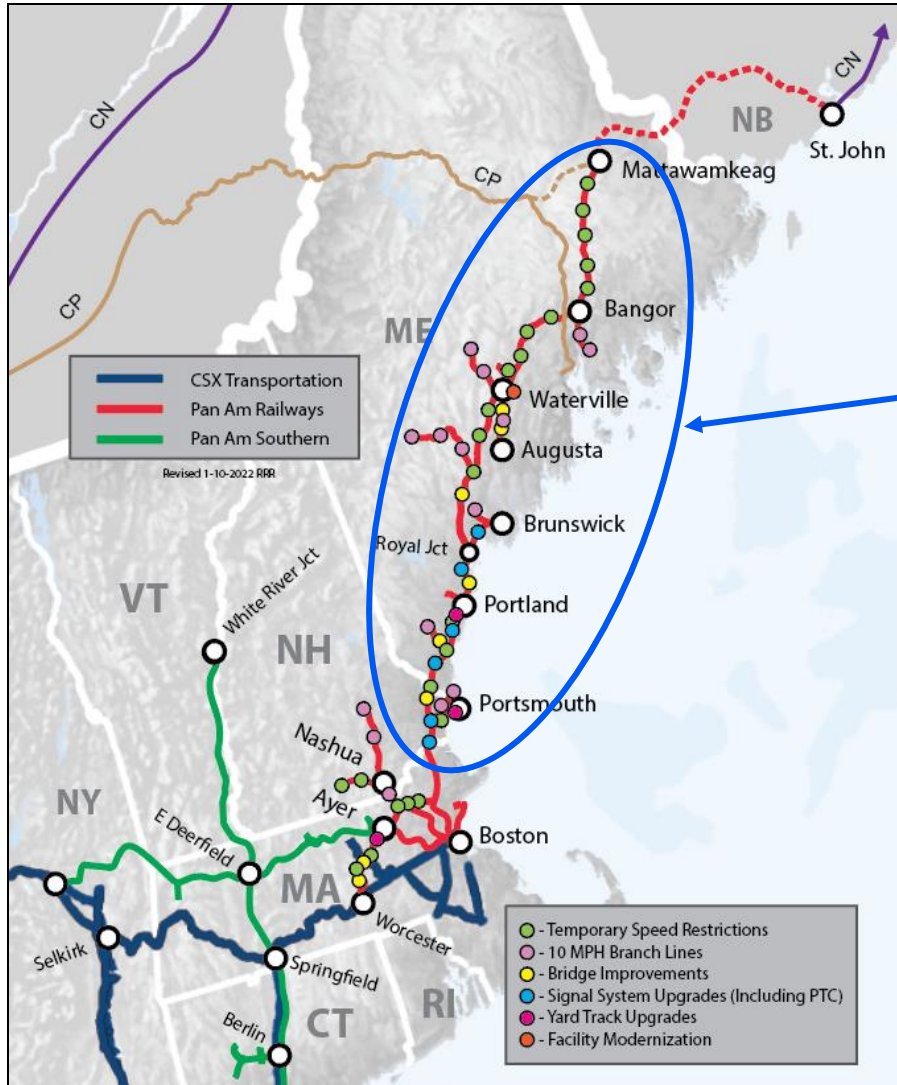


Selkirk Efficiencies





Freight Mainline (Northern Territory)



Freight Main Line (Mattawamkeag – Ayer)

- Approx. 113 Miles of 10 mph mainline trackage
- Waterville and Rigby Yard Improvements
- Wells Double Track Project





Freight Mainline/Maine



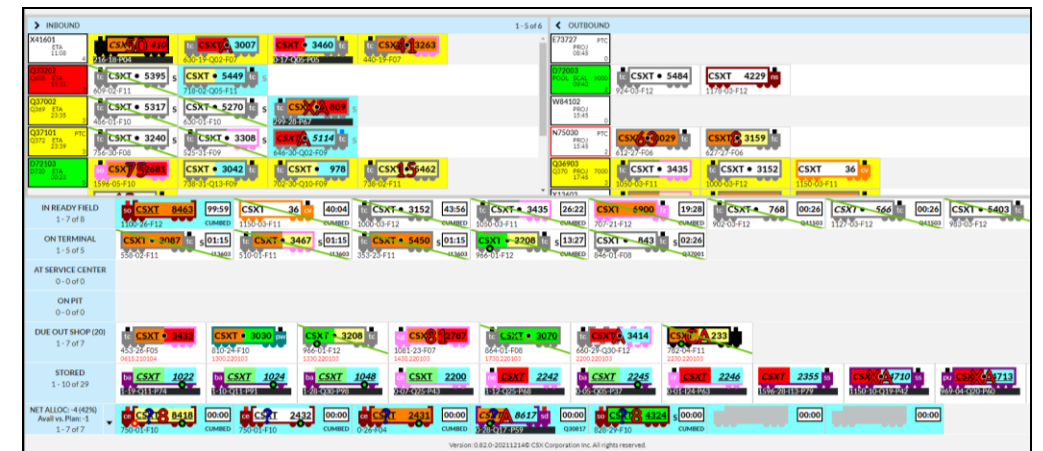
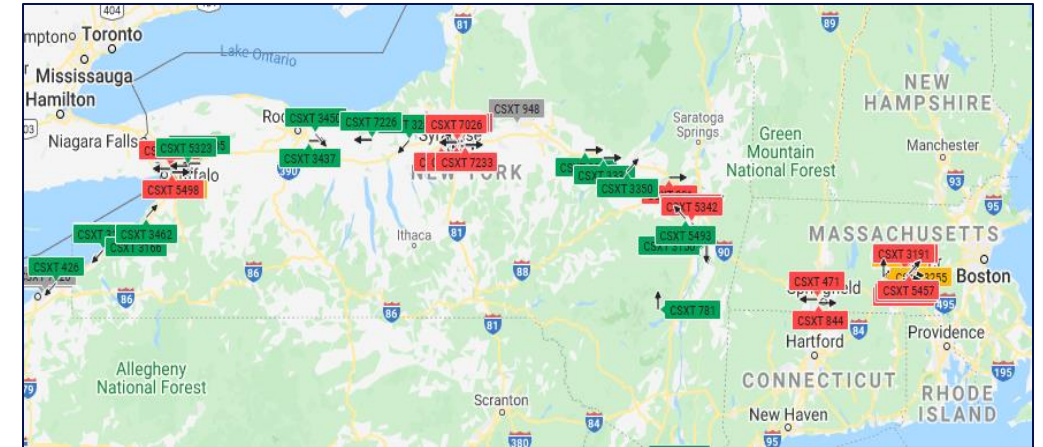


Locomotive/Equipment Comparison





Modernize Operational Technology





Labor Benefits





Kevin Boone

Executive Vice President of Sales and Marketing



Commercial Benefits of the Transaction

- **Improved customer support**
- **Expanded access to national markets**
- **Stronger competition with trucks delivering environmental benefits**
- **New market opportunities for customers**



ShipCSX Will Equip PAR Customers With Greater Shipment Visibility

Verizon 8:18 PM 56%

ShipCSX

User ID

User ID

Password

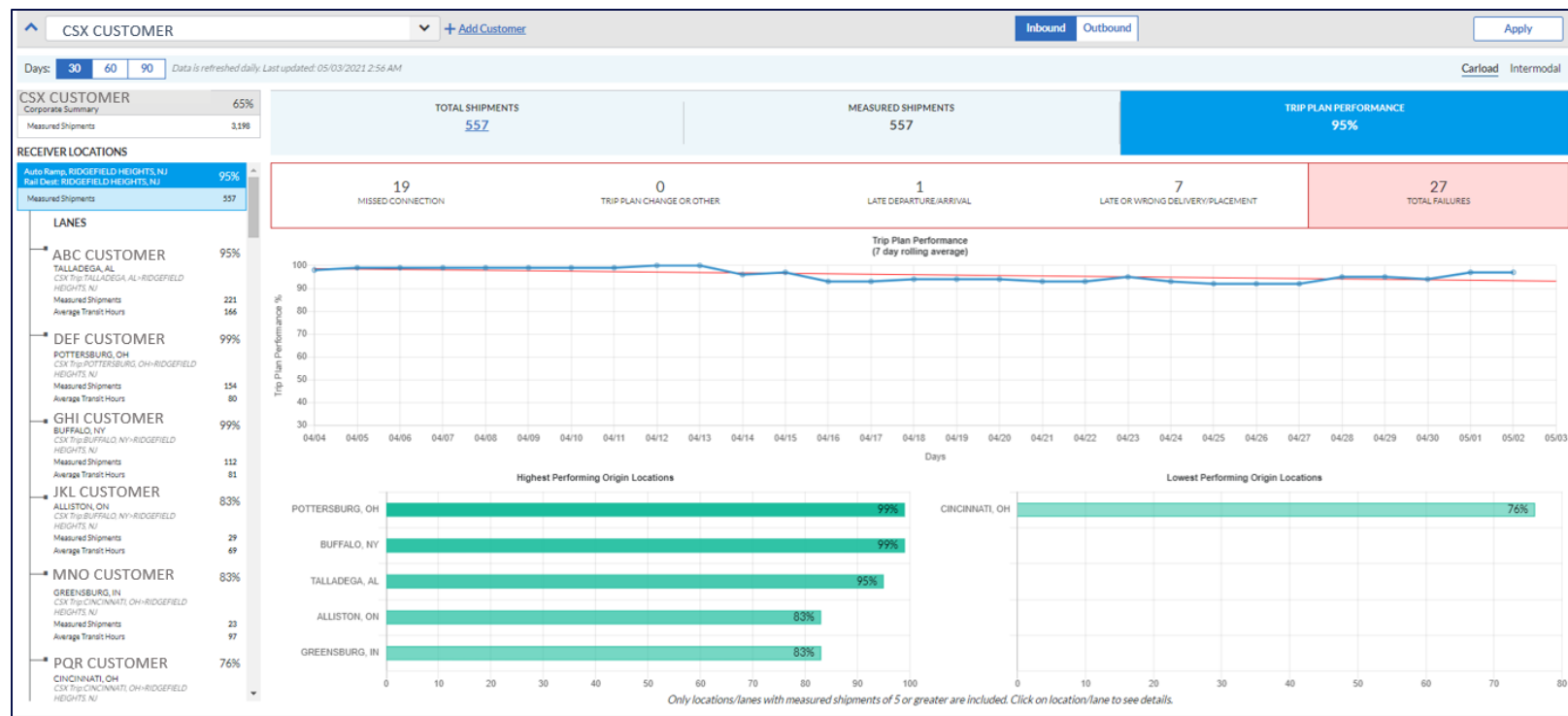
Password

Log In

Forgot User ID?

Forgot Password?

If you are not a ShipCSX user, you can register here or call 1-877-ShipCSX for help.



19 MISSED CONNECTION

0 TRIP PLAN CHANGE OR OTHER

1 LATE DEPARTURE/ARRIVAL

7 LATE OR WRONG DELIVERY/PLACEMENT

27 TOTAL FAILURES

Trip Plan Performance (7 day rolling average)

Days	Trip Plan Performance %
04/04	100
04/05	100
04/06	100
04/07	100
04/08	100
04/09	100
04/10	100
04/11	100
04/12	100
04/13	100
04/14	100
04/15	100
04/16	100
04/17	100
04/18	100
04/19	100
04/20	100
04/21	100
04/22	100
04/23	100
04/24	100
04/25	100
04/26	100
04/27	100
04/28	100
04/29	100
04/30	100
05/01	100
05/02	100
05/03	100

Highest Performing Origin Locations

POTTERSBURG, OH 99%

BUFFALO, NY 99%

TALLADEGA, AL 95%

ALLISTON, ON 83%

GREENSBURG, IN 83%

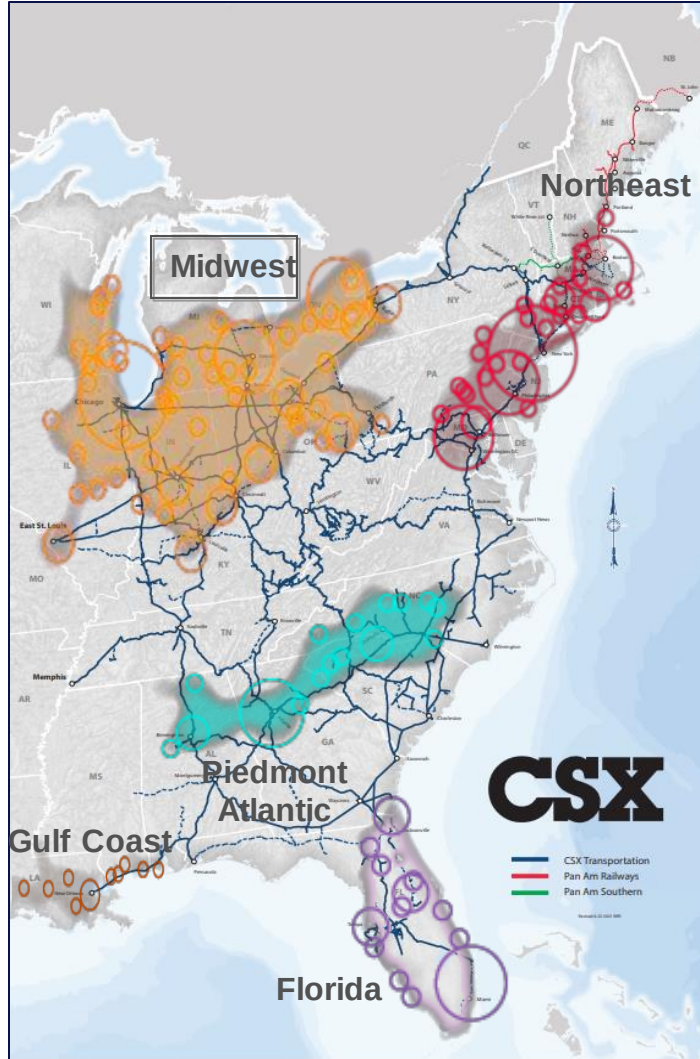
Lowest Performing Origin Locations

CINCINNATI, OH 76%

Only locations/lanes with measured shipments of 5 or greater are included. Click on location/lane to see details.



Single-line Service Will Improve Access to Major Markets

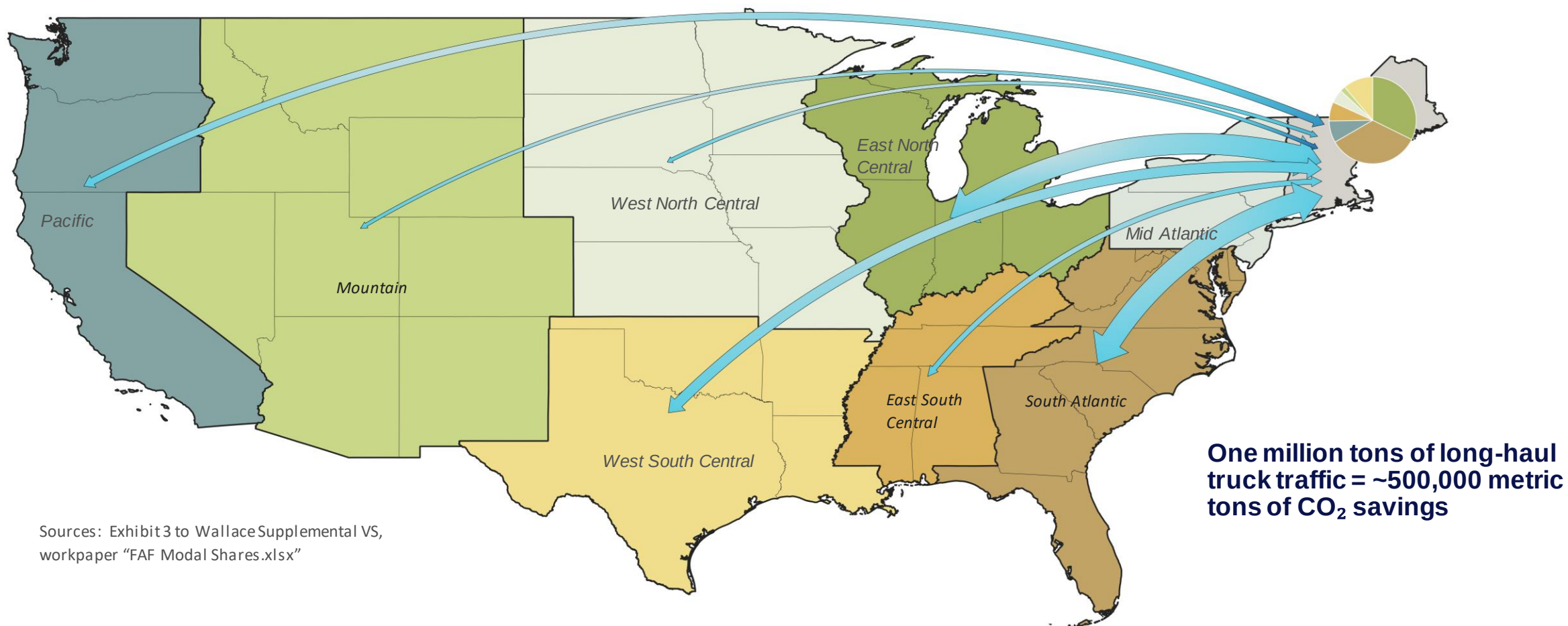


- A more resilient, reliable, and lower cost supply chain
- Planned investments and operational expertise will improve service and competitiveness
- Single line service to the largest consumption and production markets in the Eastern United States
- CSXT's railcar fleet increases loading capacity, enhancing competitiveness in existing and new markets
- Integrated operations provide routings with fewer handlings and less mileage



Truck Diversion Opportunities

10.1 Million Tons of Long-Haul Truck Traffic Represents the Rail Opportunity





New Market Opportunities for Customers



**Forest
Products**



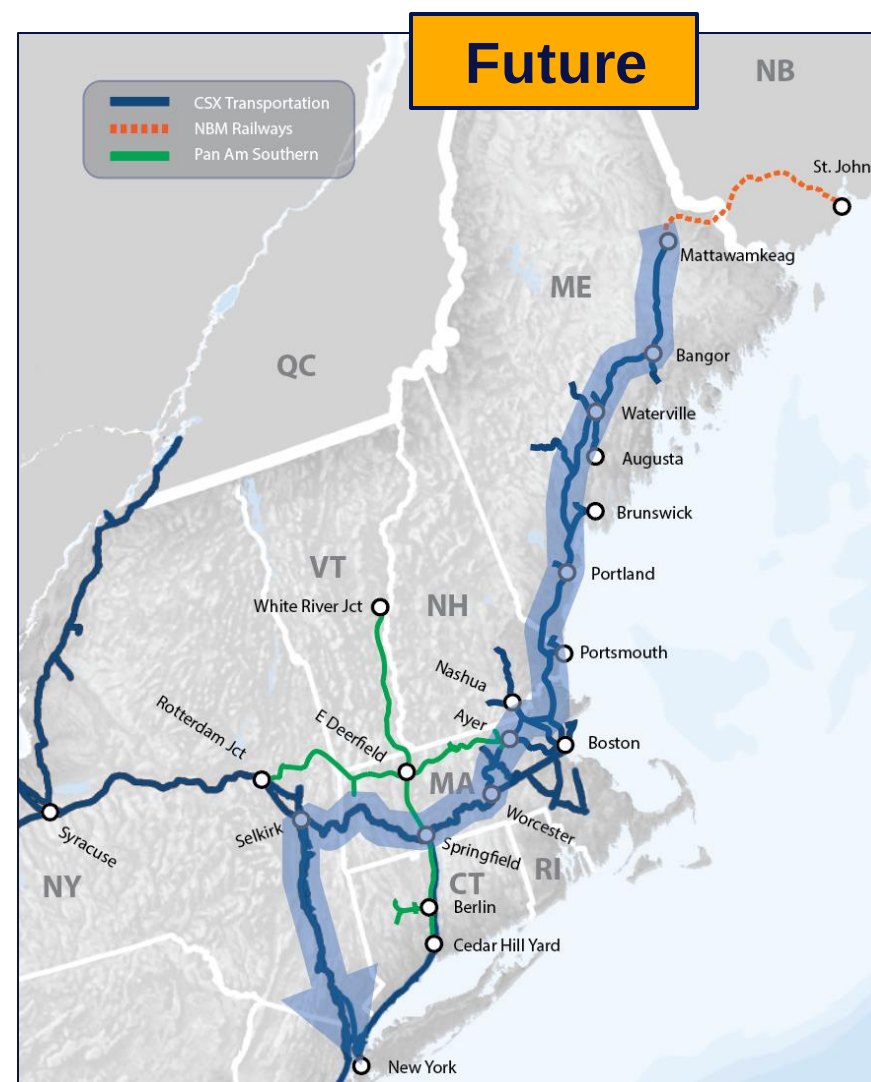
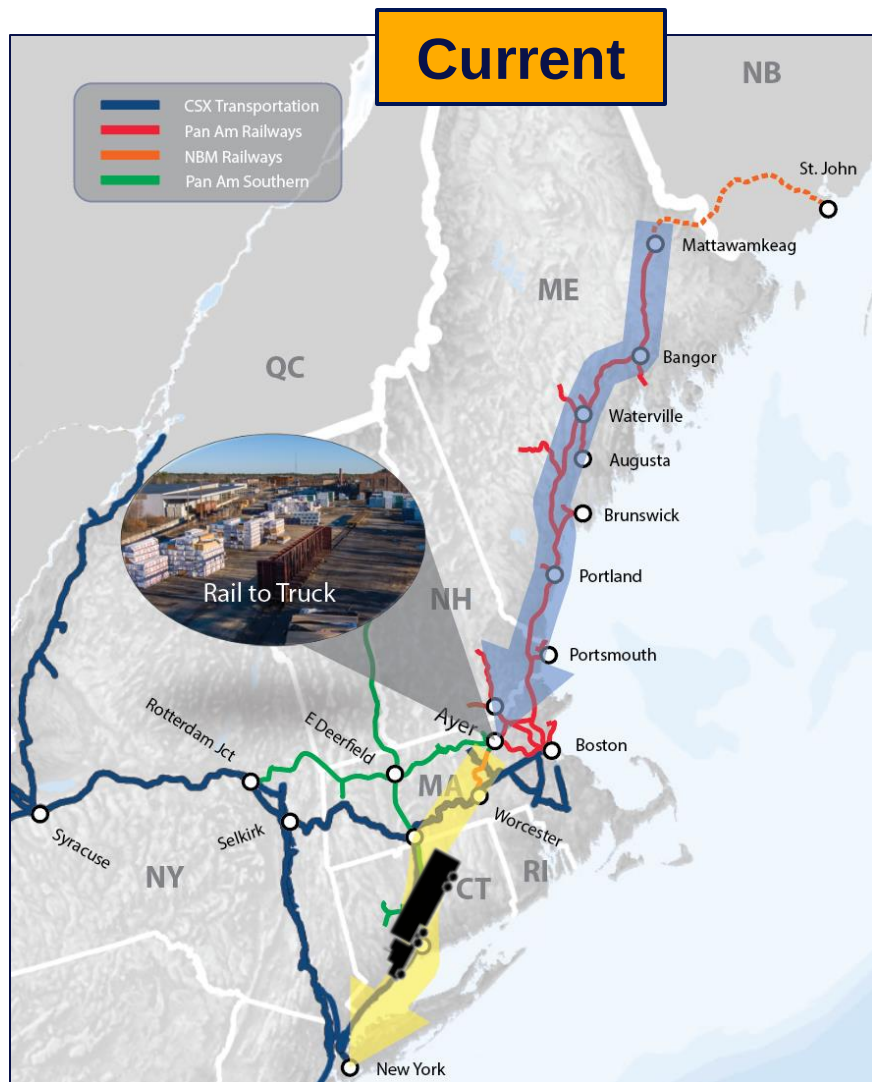
**Energy
Portfolio**



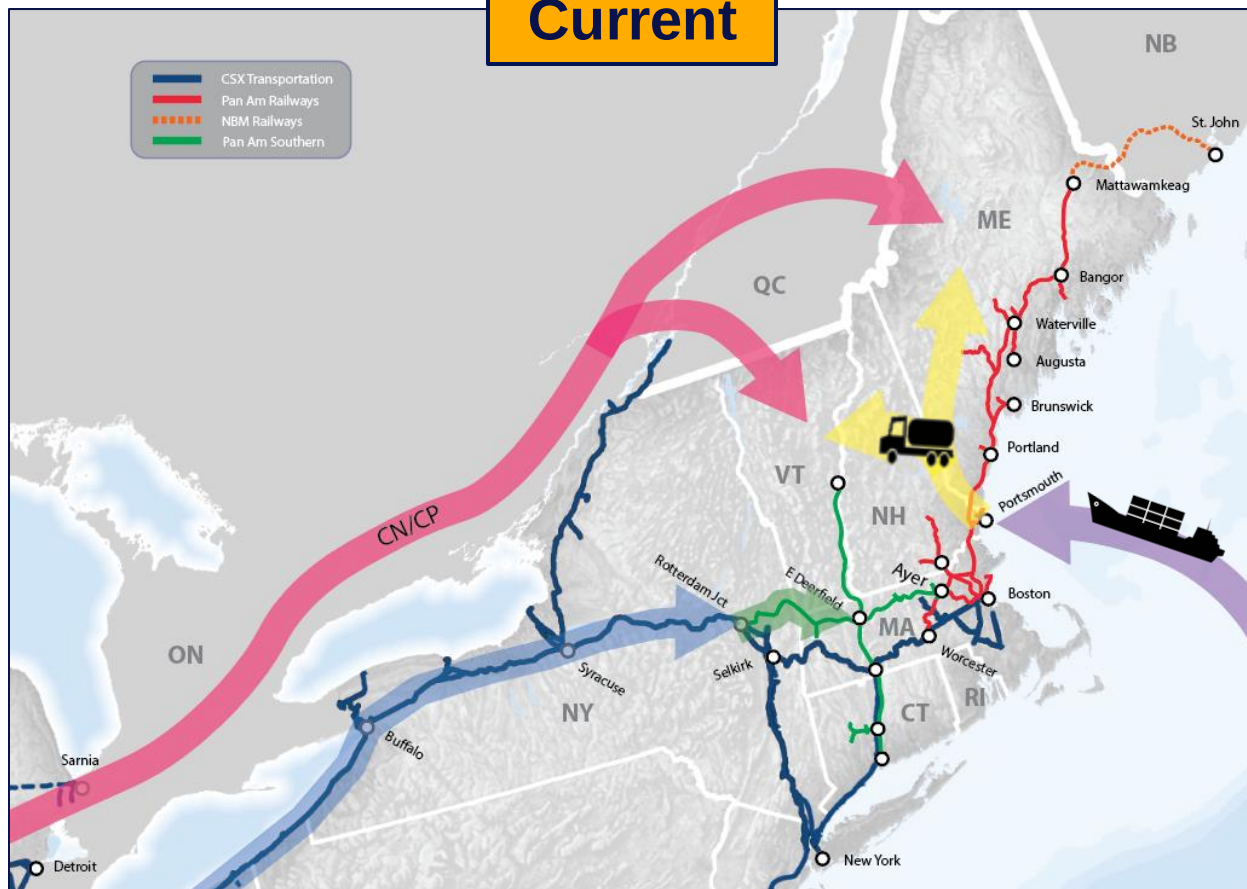
**Municipal and
Construction Waste**



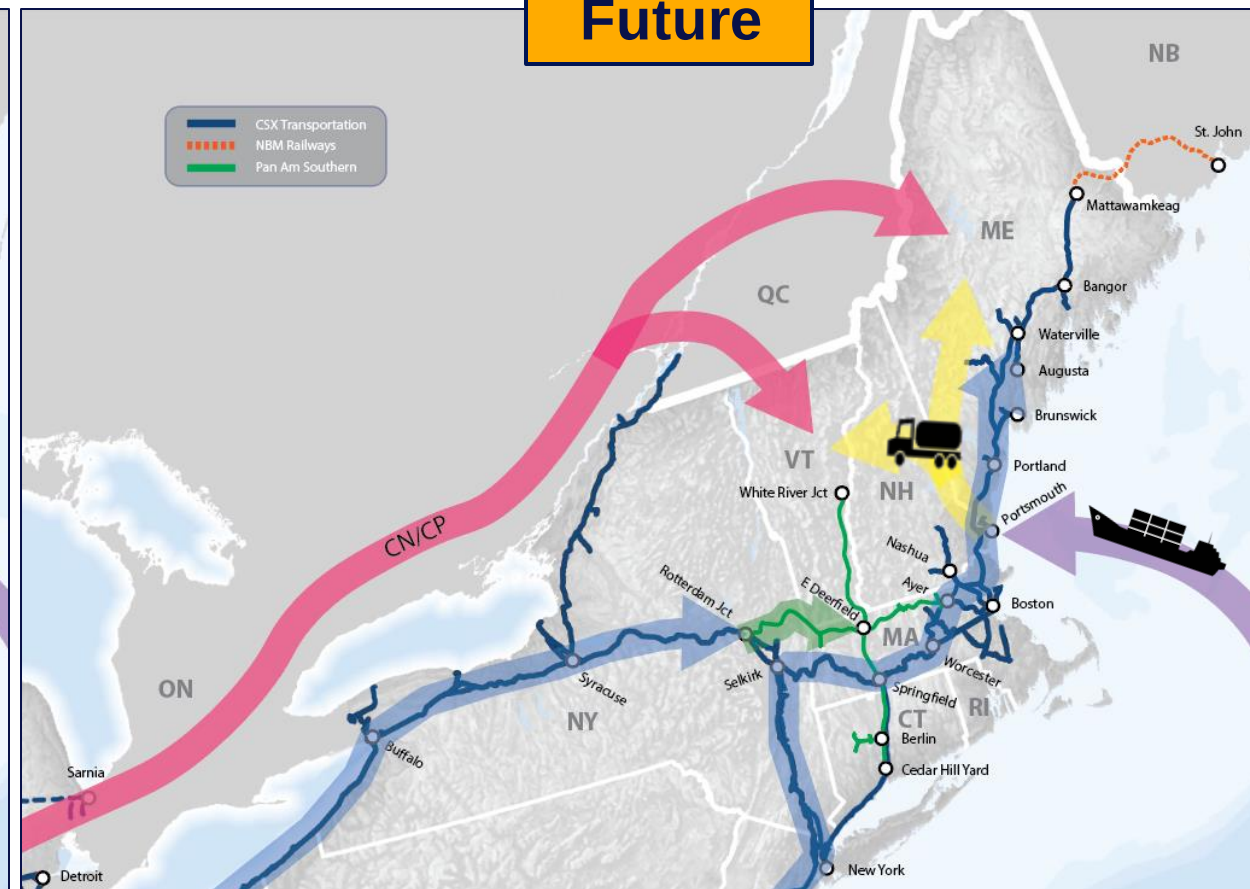
Forest Products - Improved Door-to-Door Service With Single-Line Routing



Current



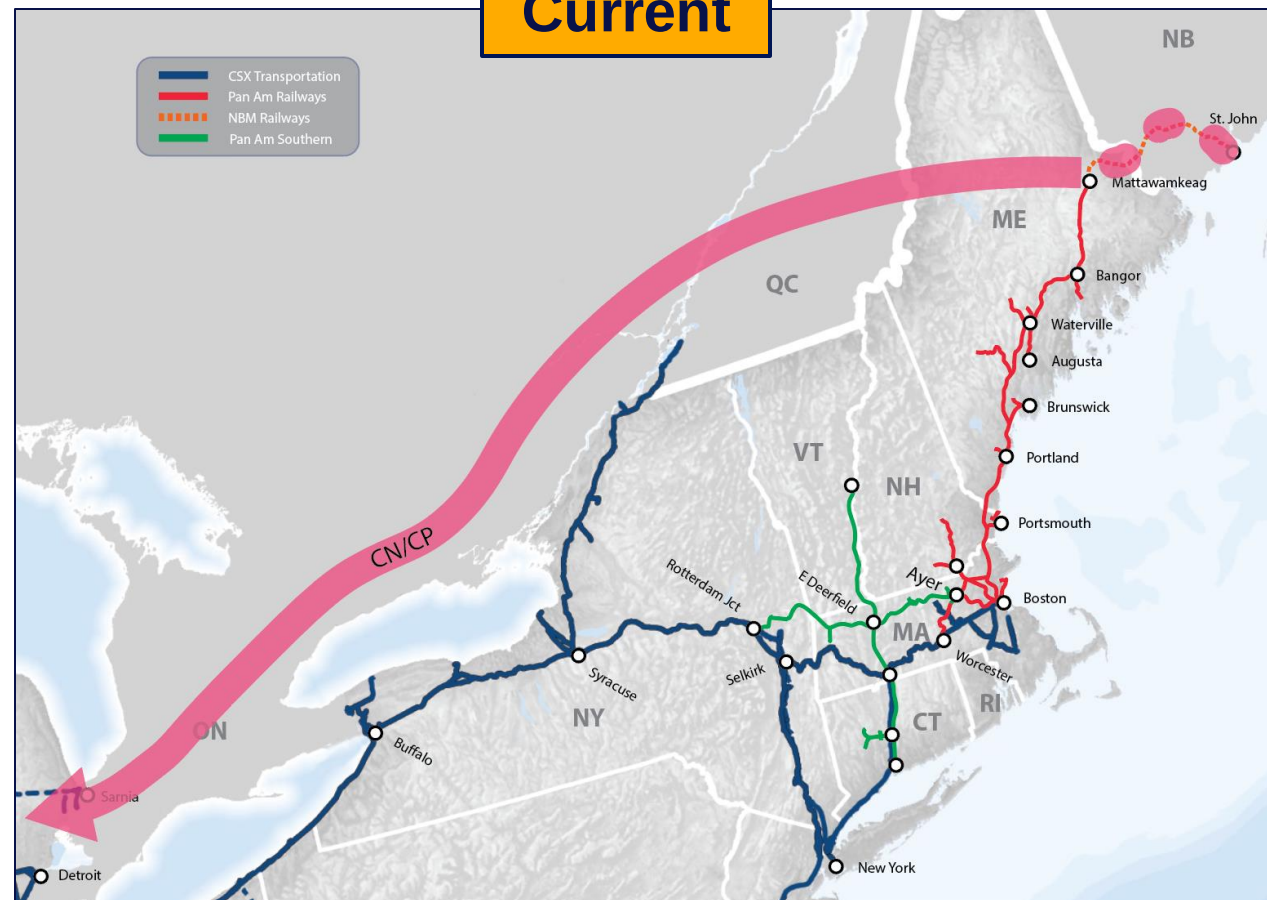
Future



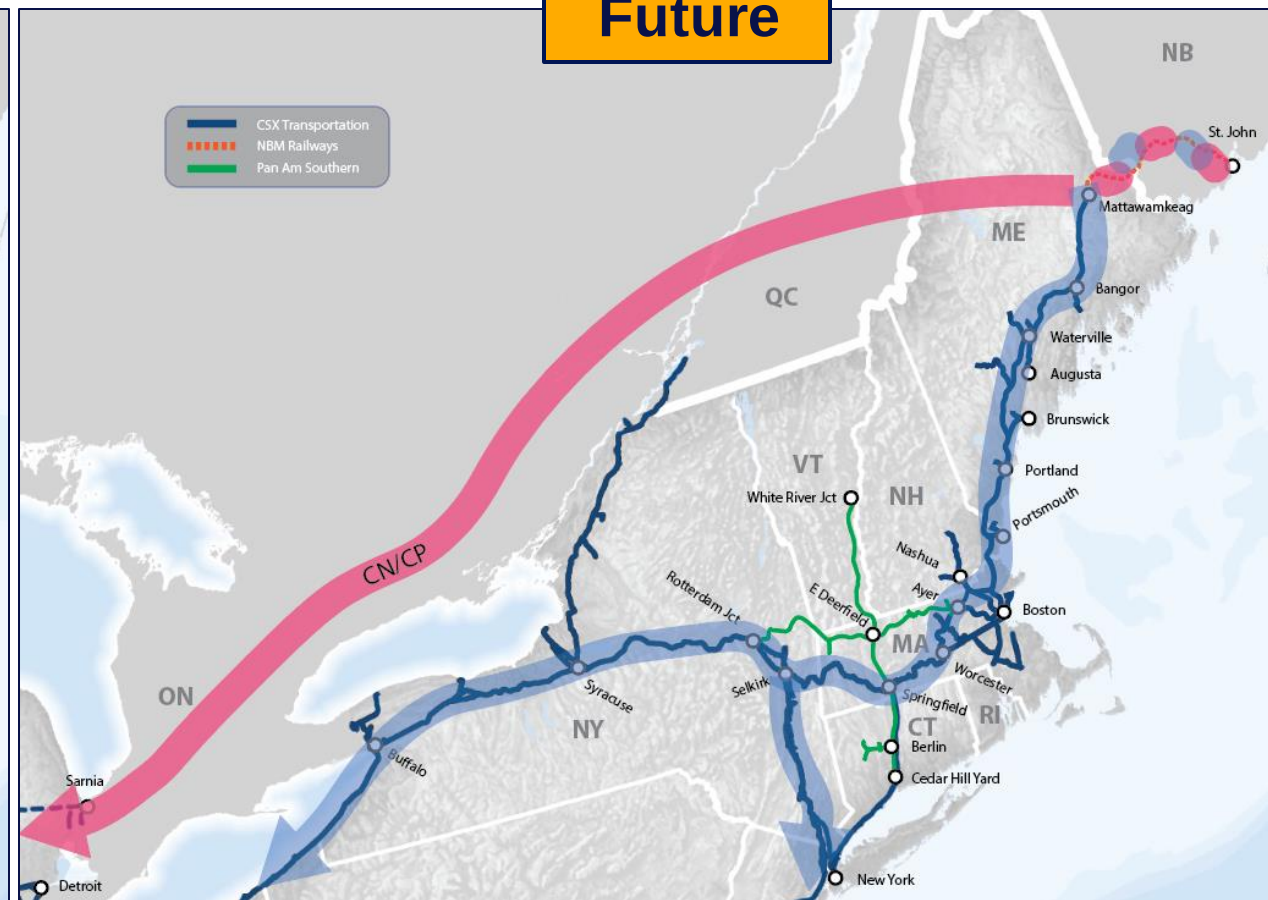


Energy/Refining By-Products – Saint John South

Current



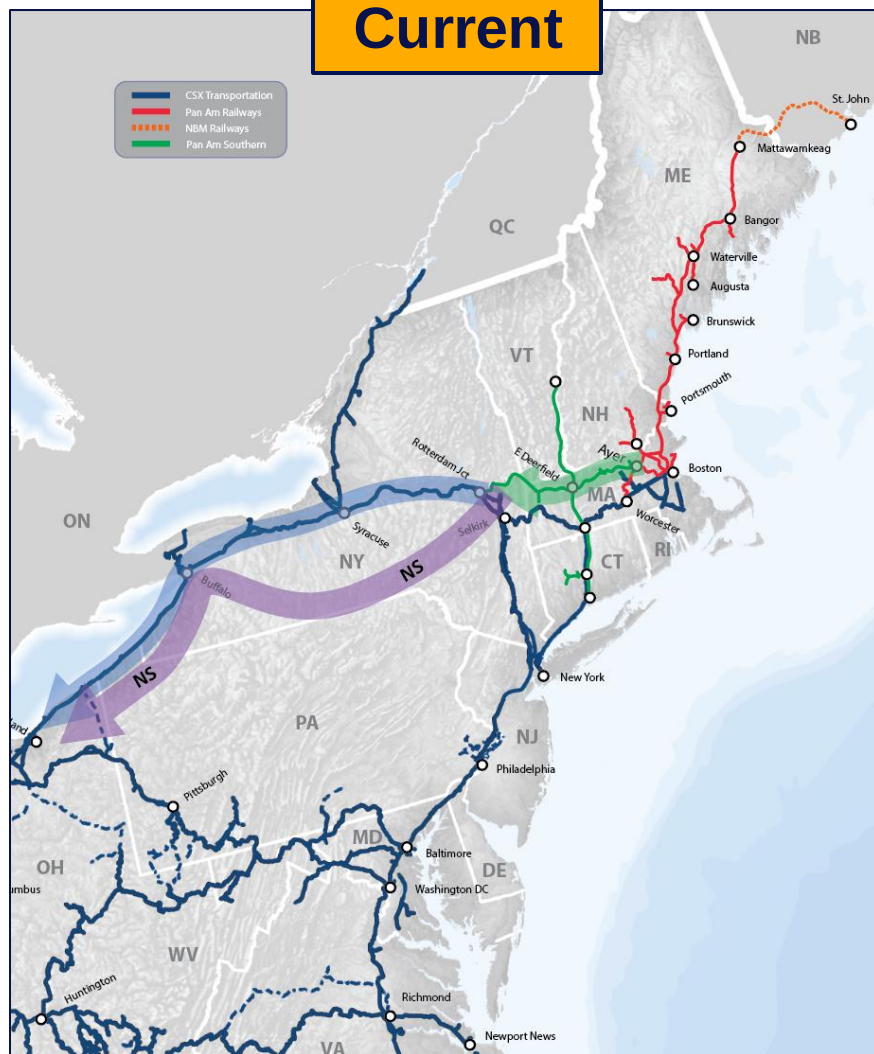
Future



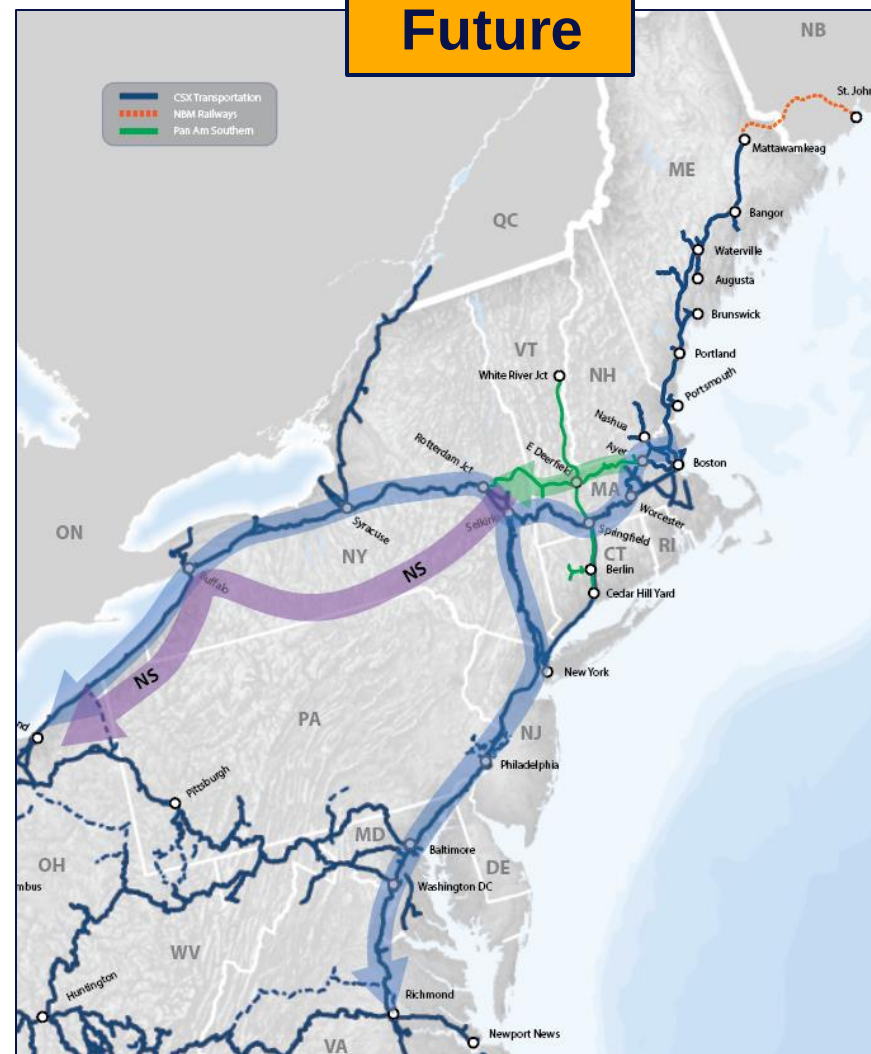


Waste – Single-Line Access to Landfills in MI, OH, SC, VA on CSX

Current



Future



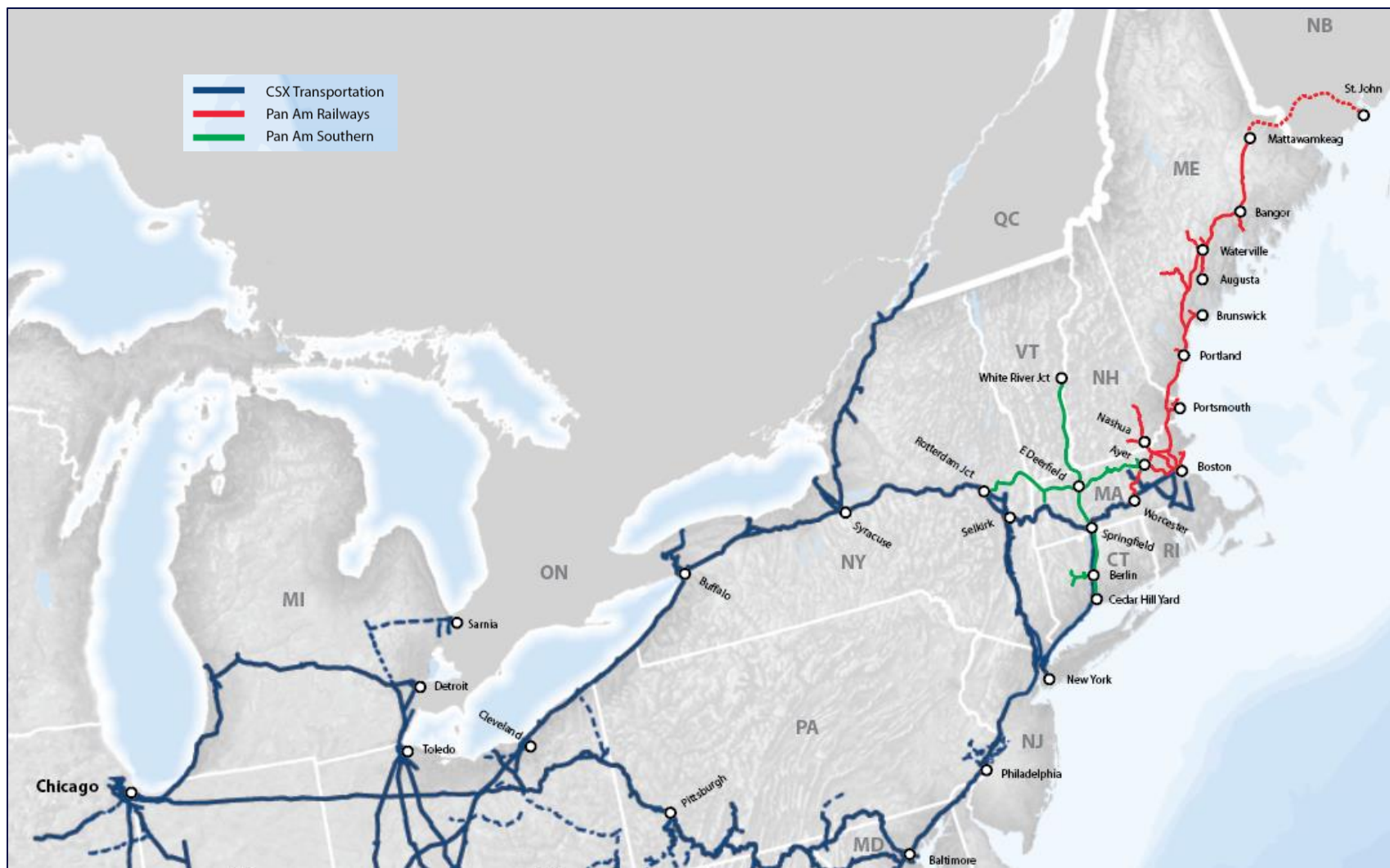


Sean Pelkey

*CSX Vice President and
Acting Chief Financial Officer*

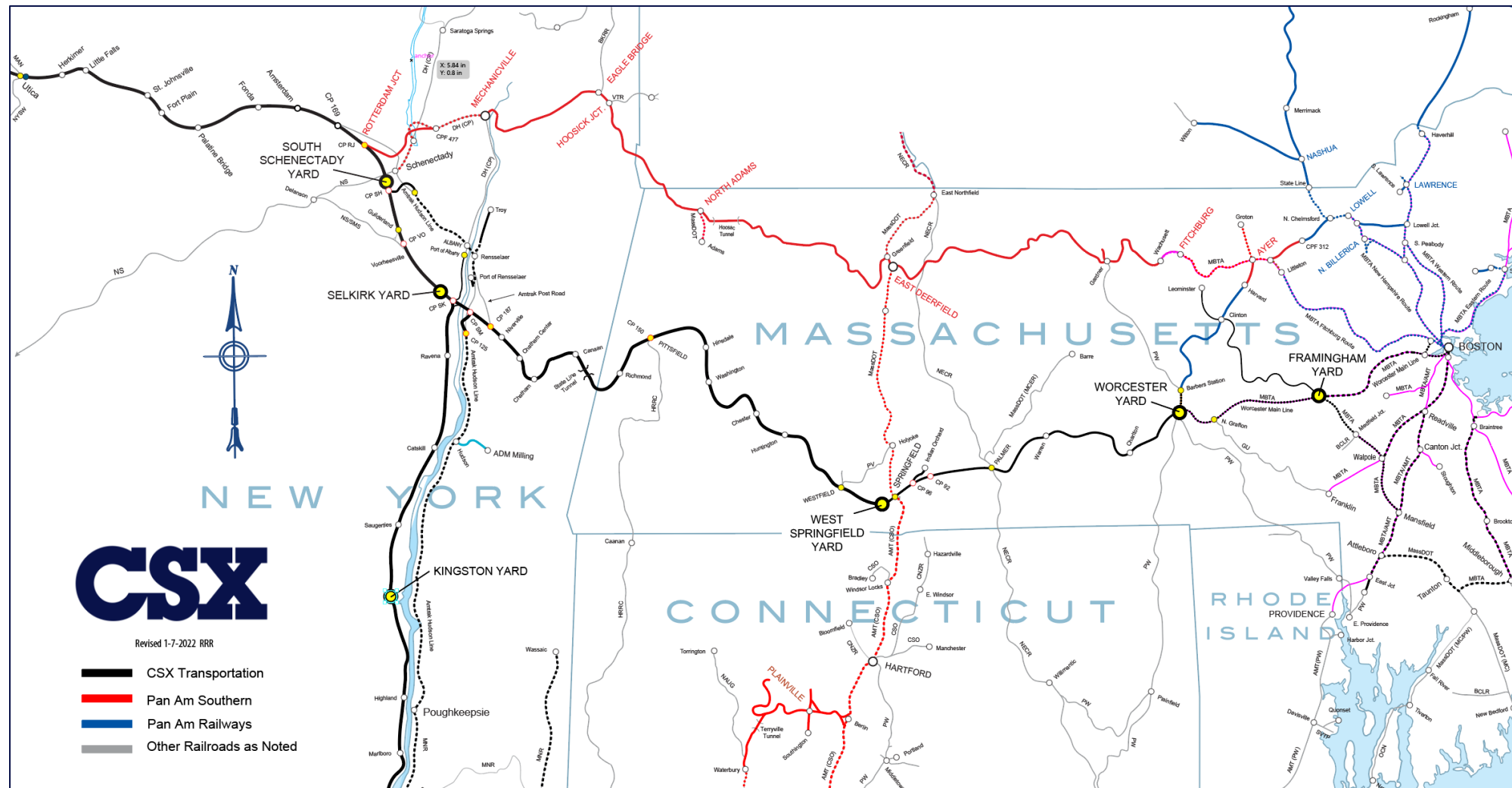


CSX-PAR is End-to-End





Preservation of Competitive Access to New England





PAS Competition Preserved

- **CSXT removed from competitive decisions**
- **Rate commitment maintains current access to PAR network, via PAS**
- **Commercial decisions by an independent operator – Berkshire & Eastern**
- **Option to purchase CSXT's interest**



PAS Competition Enhanced

- Intermodal/Automotive trackage rights granted to NS on CSXT's Southern Route, allowing double stack clearance
- Ayer Yard infrastructure improvements



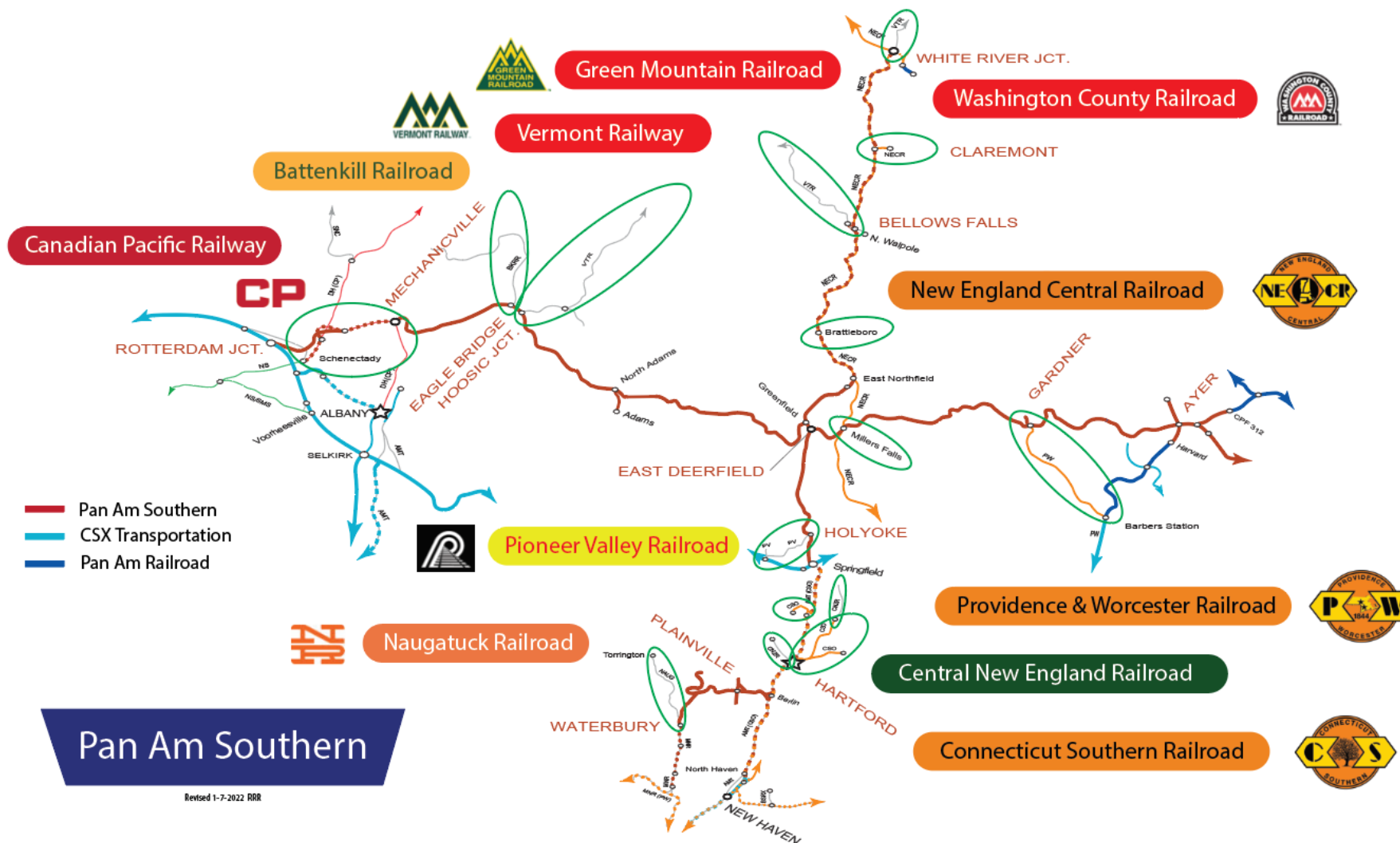


B&E Will Strengthen PAS

- **Exclusive focus on PAS success**
- **Financial incentives to improve service and expand PAS's business**
- **Non-discriminatory pricing agreement encourages competition**



Support From PAS Rail Stakeholders



CSX

David Reishus, Ph.D.

Executive Vice President



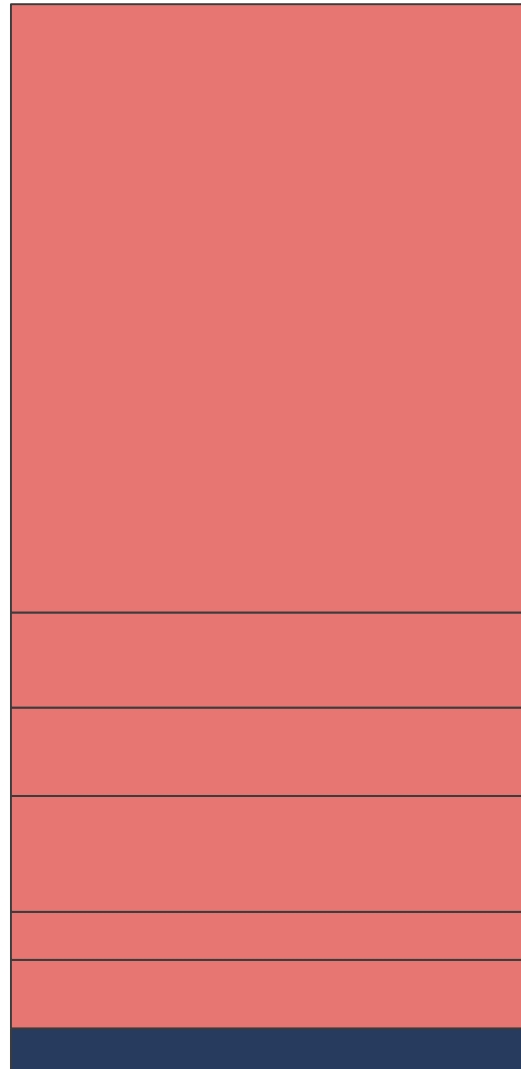
TRANSACTION IS PRO-COMPETITIVE

- Introduces Class I single-line service to portions of New England that has lacked such service
- CSX brings pro-competitive investments and operating changes to PAR shippers
- Introduces competing double-stack intermodal service to New England
- Improves PAS Ayer yard and facilities
- Agreements and commitments preserve existing competition and introduce new competitive alternatives.

NO RISK OF SIGNIFICANT COMPETITIVE HARM

- No shipper has identified a competitive concern with the transaction
- Non-shipper concerns are without merit.
- Very little traffic is even at risk of loss of rail competition

LITTLE TRAFFIC ON THE CONN RIVER NORTH LINE IS SUBJECT TO POTENTIAL LOSS OF RAIL COMPETITION



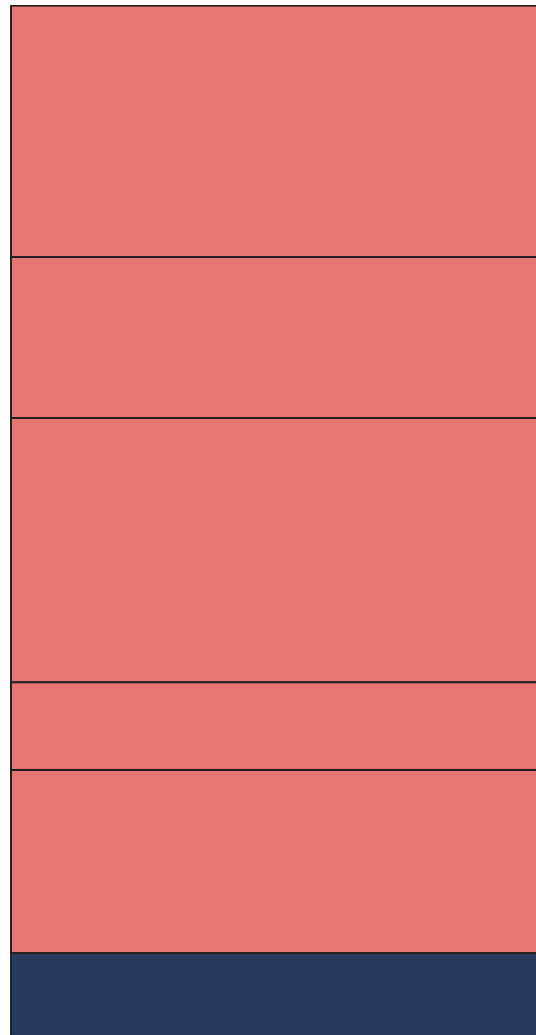
Conn River North



Possibly Competitive Traffic

Source: Reishus Reply Verified Statement. Table 4, p. 31.

LITTLE TRAFFIC ON THE PATRIOT CORRIDOR IS SUBJECT TO POTENTIAL LOSS OF RAIL COMPETITION



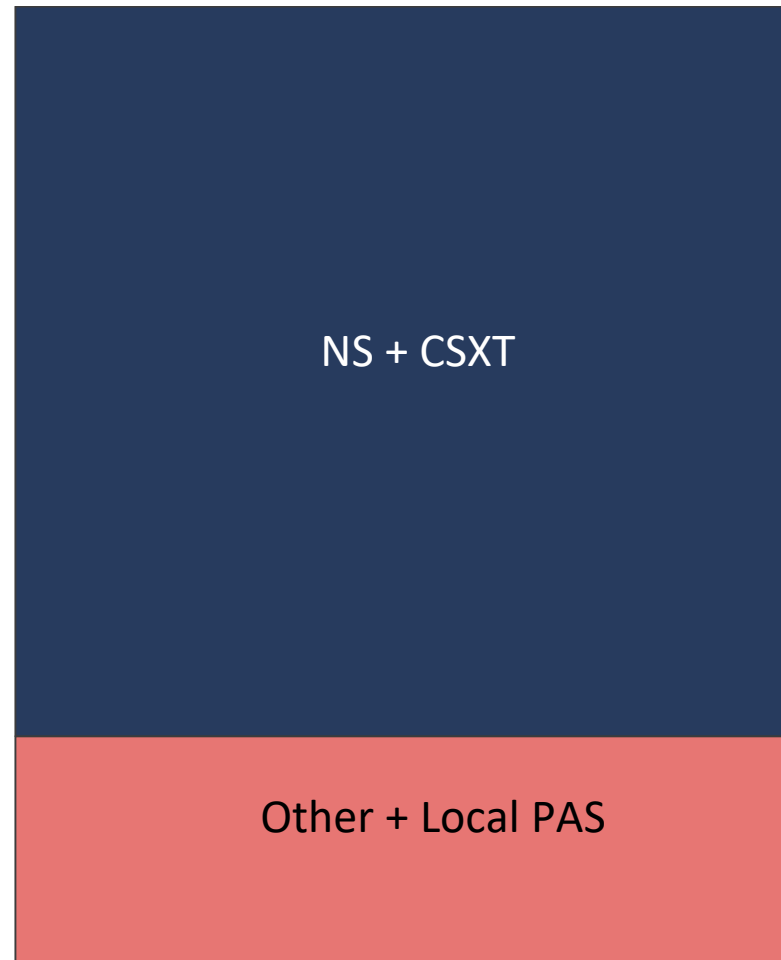
Patriot Corridor



Possibly Competitive Traffic

Source: Reishus Reply Verified Statement. Tables 5 and B-1, pp. 36, 54.

MOST OF THE PATRIOT CORRIDOR TRAFFIC IS ANTICIPATED TO BE NS AND CSX TRAFFIC POST-TRANSACTION



Source: Reishus Reply Verified Statement. Tables 5 and 6, p. 36, 47, 49.

TRANSACTION DOES NOT THREATEN VIABILITY OF THE PATRIOT CORRIDOR

- NS and CSXT have the incentive for successful Patriot Corridor
- B&E as operator has incentive and ability to provide prices and service to attract traffic
- CSXT lacks the incentive and ability to block efficient future investment

CERTIFICATE OF SERVICE

I hereby certify that I have caused this Letter in Docket No. FD-36472, *CSX Corporation and CSX Transportation, Inc.—Control and Merger—Pan Am Systems, Inc., Pan Am Railways, Inc., Boston and Maine Corporation, Maine Central Railroad Company, Northern Railroad, Pan Am Southern LLC, Portland Terminal Company, Springfield Terminal Railway Company, Stony Brook Railroad Company, and Vermont & Massachusetts Railroad Company*, to be served electronically or by first class mail, postage pre-paid, on all parties of record in this proceeding.

/s/ Sally Mordi

Sally Mordi
*Attorney for CSX Corporation and
CSX Transportation, Inc.*

January 14, 2022