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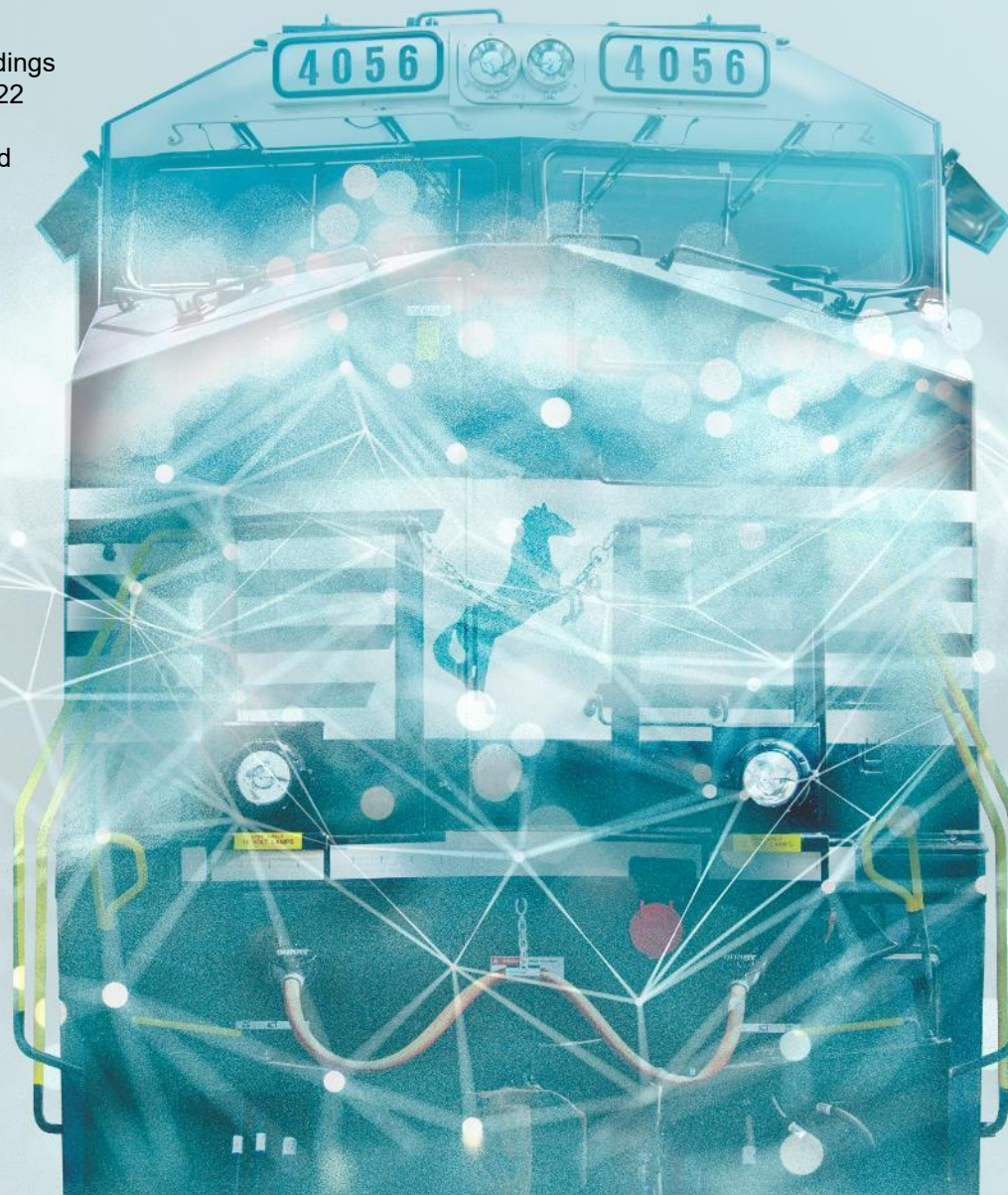
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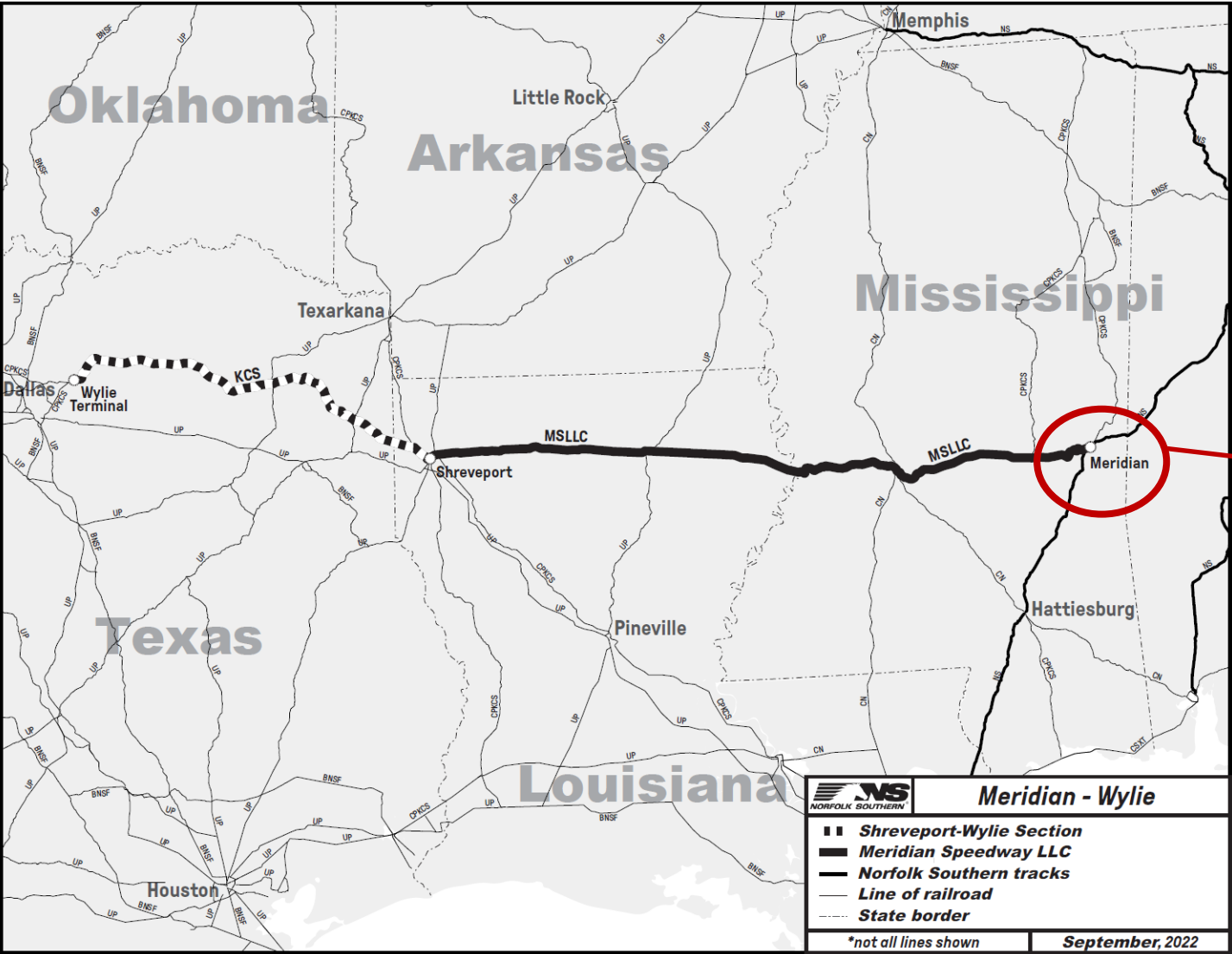
Canadian Pacific Railway Limited, et al – Control – Kansas City Southern, et al.

September 29, 2022

Norfolk Southern Railway Company



The Meridian Speedway and Meridian-Wylie Route



Only Norfolk Southern and the Meridian & Bigbee Railroad (“MNBR”) have a connection to the Meridian Speedway in Meridian, MS



Source: NS-12, Exhibit 1.

Benefits to Shippers Resulting From the Meridian Speedway Joint Venture

- Almost all of the traffic on the Speedway is moving between 50 and 60 miles per hour.
- Reduced the standard run time from Los Angeles to Atlanta from 100 hours to under 75 hours.
- Increased output -- NS intermodal traffic on the Speedway grew by 340% between 2004 and 2021.
- Spurred competition for transcontinental intermodal traffic to/from the Southeast.
- Spurred competition with highway routes for intermodal traffic between Dallas and the Southeast and took significant volume of traffic off the highways.



NS is Seeking Conditions to Ensure Shippers Do Not Lose Any Existing Options or Service Levels Due to the CP-KCS Transaction

- Require Applicants to clarify and abide by all commitments and representations about NS-CPKC Gateways made in this Proceeding, including the commitment to keep all currently existing NS-CPKC Gateways open on commercially reasonable terms.
- Grant NS contingent trackage rights for intermodal traffic, the rail movement of which originates or terminates at the Wylie Intermodal Terminal, over the Shreveport-Wylie Section, exercisable in the event that NS elects to purchase the Wylie Intermodal Terminal and CPKC fails to meet established service standards for haulage service for NS intermodal shippers.

The CP-KCS Transaction Will Not Increase “NS Traffic” or “Dallas Intermodal Terminal Traffic”

- Applicants’ Amended Operating Plan does not show any increase in NS Traffic, and in fact, excludes NS Traffic from the Amended Operating Plan entirely.
 - “KCS moves NS trains in Haulage service as part of the Meridian Speedway between Shreveport, LA and Meridian, MS. NS traffic is not included in the Master Segment Table.”¹
- The increase in handlings at the Wylie Intermodal Terminal consists of traffic originating or terminating on the CP-KCS network, **not** the NS network, so there is no growth in Dallas Intermodal Terminal Traffic.²
- The contingent trackage rights that NS requests do not include NS Traffic and would not increase the amount of Dallas Intermodal Terminal Traffic.
 - “...the only effect would be to change from movement in haulage to movement in trackage rights for traffic already moving on the Meridian-Wylie Route.”³

Source: [1] CP-KCS Amended Operating Plan, Appendix T, at 19.

[2] CP-KCS Amended Operating Plan at 125-27.

[3] NS-13 at 6.

CSXT Offers a Competitive Alternate Route for Transcontinental Intermodal Traffic



Source: North American Rail Network Dataset, Federal Bureau of Transportation Statistics.

Highway Routes Provide a Highly-Competitive Alternative for Traffic Between Dallas and the Southeast



- Highway routes between Dallas and major points in the Southeast are highly competitive with rail options due to the comparable mileage.
- Despite NS's investment in the Meridian Speedway, 75% of intermodal traffic between Dallas and the Southeast still moves on the highway.

Thank you. www.norfolksouthern.com

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