

SURFACE TRANSPORTATION BOARD**Ex Parte 711 (Sub. No. 2)****Reciprocal Switching for Inadequate Service****Summary of Ex Parte Meeting Between CSX Transportation, Inc.,
and Surface Transportation Vice Chairman Karen Hedlund****November 14, 2023**ENTERED
Office of Proceedings
November 21, 2023
Part of
Public RecordCSXT Attendees:

- Casey Albright, Senior Vice President of Network Operations and Service Design
- John Patelli, Vice President and Chief Regulatory Counsel
- Jason Marques, Assistant General Counsel, Corporate & Transportation Law
- Matt Warren, Sidley Austin LLP

STB Attendees:

- Karen Hedlund, Vice Chairman
- Chip Vance, Attorney Advisor

Meeting Summary:

CSXT thanked Vice Chairman Hedlund for the opportunity to meet. CSXT explained that it understands the Board's desire to have meaningful guideposts to identify service inadequacies. CSXT explained that its main suggested improvements to the NPRM are to ensure that the Board considers the many issues that could cause a dip in a service metric over a short time frame, and relatedly ensuring that railroads have a meaningful opportunity to explain the context behind any particular metric change.

Mr. Albright explained that CSXT reviews metrics every day, several times a day to monitor the network and improve efficiency. CSXT reviews these metrics in context and does not focus on any one metric as the arbiter of good service. For example, simply increasing train velocity does not translate to improving service unless the right cars are on the right trains. Mr. Albright also discussed how metrics need to be considered in the light of the dynamic nature of the rail network. For example, grain season has impacts on the overall network, depending on the changing needs of CSXT's grain customers. Vice Chairman Hedlund inquired as to whether the slowdown on the Mississippi River has resulted in CSXT seeing more grain traffic from producers. Mr. Albright explained that CSXT has seen grain trains moving further south this year than in prior years, which has required reallocation of resources.

Mr. Albright explained that customer behavior is an important factor when considering service metrics, such as when customers' forecasts do not match reality or when they order more volume than their capacity. Mr. Albright discussed the autoworker strike as an example of an external factor which impacts metrics.

Vice Chairman Hedlund stated that the industry needs to ensure good communication with customers, especially in unusual circumstances. CSX stated its commitment to proactive communication. Mr. Albright explained that CSX's approach is to be forthright and address issues head-on. He explained that there are approximately 60,000 lanes on CSX's network and over 5,000 customers and multiple interchange points, and issues can arise given the number of variables, but that CSX works to manage any issues to lessen impact on customers.

Vice Chairman Hedlund pointed to the language of the proposed § 1145.3 providing that the Board would consider other affirmative defenses on a case-by-case basis. CSX explained its concern about the clarity of that language, and emphasized the importance of a railroad being permitted to explain the context behind any particular service metric failure. CSX also expressed concern about the lack of any time constraints relating to the 12-week window.

CSXT and Vice Chairman Hedlund thanked each other for their time and insights and concluded the meeting.