

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36836

NORFOLK SOUTHERN CORPORATION &
NORFOLK SOUTHERN RAILWAY COMPANY
—ACQUISITION OF CONTROL—
NORFOLK & PORTSMOUTH BELT LINE RAILROAD COMPANY

CSX TRANSPORTATION, INC.'S
DESCRIPTION OF ANTICIPATED RESPONSIVE APPLICATION

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Dated: August 12, 2025

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36859

NORFOLK SOUTHERN CORPORATION &
NORFOLK SOUTHERN RAILWAY COMPANY
—ACQUISITION OF CONTROL—
NORFOLK & PORTSMOUTH BELT LINE RAILROAD COMPANY

CSX TRANSPORTATION, INC.'S
DESCRIPTION OF ANTICIPATED RESPONSIVE APPLICATION

Pursuant to the Board's¹ *Decision No. 7*, served in this proceeding on July 10, 2025, CSXT hereby submits this Description of Anticipated Responsive Application. CSXT anticipates that it will submit a responsive application seeking terminal trackage rights pursuant to 49 U.S.C. § 11102 over certain lines owned by NS and NPBL in the Norfolk, VA and Chesapeake, VA areas (collectively, the "Lines"), described in detail below.

The terminal trackage rights that CSXT intends to seek through a responsive application here involve the exact same rail lines as the terminal trackage rights that CSXT has sought in CSXT's Application for Terminal Trackage Rights, filed on May 20, 2025, in FD 36859, *CSX Transp., Inc.—Terminal Trackage Rights—Norfolk S. Ry. Co. & Norfolk & Portsmouth Belt Line R.R. Co. (Terminal Trackage Rights Proceeding)*. On June 2, 2025, NS asked the Board to hold the Terminal Trackage Rights Proceeding in abeyance pending resolution of this

¹ Unless otherwise defined, the acronyms and defined terms used herein are the same as those used in the Board's *Decision No. 2*, served on March 14, 2025 in this proceeding, or in CSX Transportation, Inc.'s Petition to Reject Norfolk Southern's Minor Application, filed on February 27, 2025.

NS/NPBL control proceeding. On June 5, 2025, the Board stayed the procedural deadlines in the Terminal Trackage Rights Proceeding until the Board rules on NS's abeyance motion. *Terminal Trackage Rights Proceeding*, FD 36859, slip op. at 3 (STB served June 5, 2025). NS's abeyance motion in the Terminal Trackage Rights Proceeding has been fully briefed for two months. If the Board grants CSXT's anticipated responsive application, the Terminal Trackage Rights Proceeding would be moot.

NPBL was formed by eight railroads and was established as a belt line railroad for the mutual benefit of its owners. Through a series of mergers and acquisitions, NPBL is now owned by NS (57%) and CSXT (43%). NPBL's most significant potential customer is Norfolk International Terminals ("NIT"), which has become one of the most important intermodal terminals serving ocean vessels on the East Coast. While NS's rail lines reach NIT directly, CSXT can only reach NIT by interchanging with NPBL. Consistent with the purpose of NPBL, CSXT (the joint owner of NPBL) should be able to use NPBL's switching services to reach shippers at NIT by rail. However, in recent decades, as access to NIT became increasingly valuable to railroads competing for intermodal freight, NS has prevented CSXT from using NPBL switching services to compete with NS for freight to and from NIT.

In CSXT's comments that it expects to file on August 27, 2025, CSXT will ask the Board to deny NS's application and order NS to divest control of NPBL. However, if the Board allows NS to control NPBL, CSXT will ask the Board to establish conditions to mitigate the anticompetitive effects of NS's continued control of NPBL by ensuring that CSXT has effective on-dock rail access to NIT. The only condition that CSXT expects to request that would separately require a responsive application is CSXT's request for the Board to grant CSXT terminal trackage rights

that would allow CSXT to serve NIT directly, bypassing the NPBL switching services that CSXT has not been able to use.

The terminal trackage rights that CSXT expects to request would cover the following rail lines:

- a) NPBL's line between Seaboard Junction, at approximately milepost SA2, and NS Junction, at approximately milepost NS 1.40;²
- b) NS's line between NS Junction, at milepost NS 1.40, and Carolina Junction, at milepost NS 2.30, in Chesapeake, VA, a distance of 0.90 miles;³
- c) Segments of NS's New Berkley Line N-Line and V-Line tracks between the division of maintenance located 60' west (railroad direction) of the edge of Industrial Avenue on the New Berkley Line, and Carolina Junction on the V-Line, provided that the connection between the N-Line and V-Line will be over the Wye Track at or near the V-Line at milepost V4+4974.1', to its end at the point of switch for a left-hand turnout in the Switching Lead at milepost N3+1749.5';⁴

² CSXT currently has certain access to NPBL's line between Seaboard Junction and Berkley Yard. CSXT's access is limited to interchange.

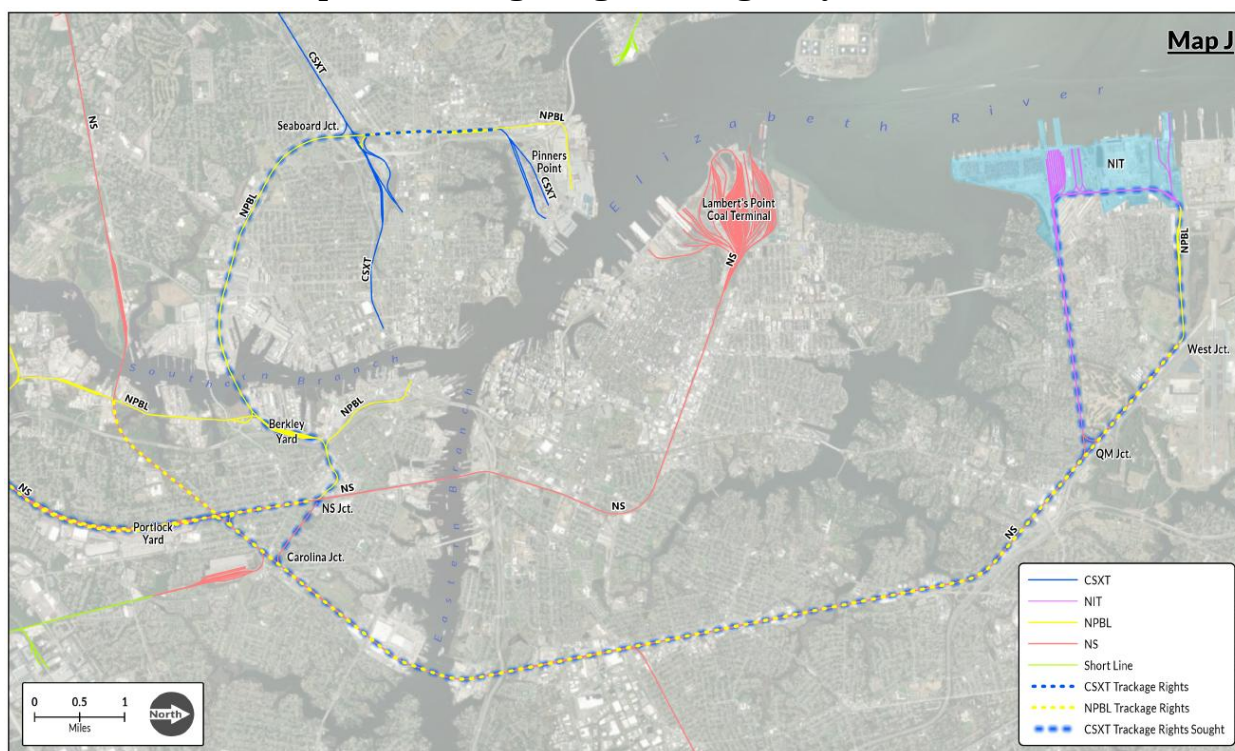
³ Line segment (b) consists of the same line segment described in *Norfolk S. Ry. Co.—Discontinuance of Service Exemption—in Chesapeake, VA*, AB 290 (Sub-No. 299X) (STB served May 15, 2008) and *Norfolk & Portsmouth Belt Line R.R. Co.—Discontinuance of Trackage Rights Exemption—in Chesapeake, VA*, AB 1024X (STB served May 15, 2008). Without obtaining abandonment authority or advising the Board of its plans, NS unlawfully removed certain track assets, making the line of railroad between NS Junction and Carolina Junction unusable. CSXT expects to ask the Board to order NS to restore these track assets either in the context of the NS/NPBL control proceeding or in CSXT's separate complaint proceeding, NOR 42183.

⁴ Line segments (c) and (d) consist of the same line segments described in NS's Petition to Set Trackage Rights Compensation, filed on September 13, 2018. (NS Pet., Ex. B at 1-2, Sept. 13, 2018, *Norfolk S. Ry. Co.—Petition to Set Trackage Rights Compensation—Norfolk & Portsmouth Belt Line R.R. Co.*, FD 36223.)

- d) NS's main and passing tracks between Carolina Junction at milepost V4 + 1927.2' and West Junction at milepost A7 + 1351.7', a distance of 9.329 miles;
- e) NS's line through Portlock Yard; and
- f) Line segments starting at West Junction, at approximately milepost A7 + 1351.7', continuing westward across Hampton Boulevard and around the NIT loop, and ending at QM Junction, including both legs of the Wye at QM Junction.⁵

⁵ In 2011, VPA filed a notice of exemption to acquire from NPBL certain physical assets of a rail line and the associated right-of-way, between a point on NPBL's track known as West Junction westward and across Hampton Boulevard to a point of connection with VPA track, located on Sewell's Point in the City of Norfolk, Va., a distance of approximately 1.18 miles (approximately 5,700 feet). VPA stated that NPBL would retain a permanent, exclusive, and irrevocable freight easement to provide freight service on the entire line, and VPA concurrently filed a motion to dismiss its notice of exemption on the grounds that the transaction did not require authorization from the Board. The Board granted VPA's motion to dismiss. *See Va. Port Auth.—Acquisition Exemption—Norfolk & Portsmouth Belt Line R.R. Co.*, FD 35532 (STB served Aug. 1, 2011).

Map of Trackage Rights Sought by CSXT



Under 49 U.S.C. § 11102(a), the Board may require use of “terminal facilities, including main-line tracks for a reasonable distance outside of a terminal,” if the Board finds that use to be “practicable and in the public interest without substantially impairing the ability of the rail carrier owning the facilities or entitled to use the facilities to handle its own business.” CSXT will demonstrate in its responsive application that the requested terminal trackage rights satisfy each of these criteria.

If the Board does not deny the NS application, granting CSXT the terminal trackage rights that CSXT anticipates requesting in its responsive application, along with imposing additional conditions that CSXT expects to request in this proceeding, would mitigate the anticompetitive effects of NS’s continued control over NPBL and ensure that intermodal customers at NIT are able to access the competitive service that they deserve.

Respectfully submitted,

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Dated: August 12, 2025

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing CSX Transportation, Inc.'s Description of Anticipated Responsive Application in Finance Docket No. 36836 to be served electronically or by first-class mail, postage pre-paid, on all parties of record in this proceeding.

/s/ Jensen Matsuda
Jensen Matsuda
Attorney for CSX Transportation, Inc.

August 12, 2025