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Office of Chief Counsel
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PUBLIC VERSION

September 18, 2025

CSXT-23

VIA E-FILING

Chief of Case Administration
Office of Chief Counsel
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: STB Docket No. FD 36836, Norfolk Southern Corporation & Norfolk
Southern Railway Company—Acquisition of Control—Norfolk &
Portsmouth Belt Line Railroad Company**

Dear Chief of Case Administration:

Enclosed for e-filing in the above-referenced proceeding is a public version of CSX Transportation, Inc.'s Application for Terminal Trackage Rights ("Responsive Application"), with appropriate redactions that the Board can place in its docket. We are concurrently filing a highly confidential version of the Responsive Application, to be filed under seal.

The filing fee of \$10,300 has been paid via pay.gov. Please contact me with any questions.

Respectfully submitted,

/s/ Peter W. Denton

Peter W. Denton
Attorney for CSX Transportation, Inc.

Enclosures

FEE RECEIVED
September 18, 2025
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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
APPLICATION FOR TERMINAL TRACKAGE RIGHTS

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Dated: September 18, 2025

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BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36836

NORFOLK SOUTHERN CORPORATION &
NORFOLK SOUTHERN RAILWAY COMPANY
—ACQUISITION OF CONTROL—
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CSX TRANSPORTATION, INC.'S
APPLICATION FOR TERMINAL TRACKAGE RIGHTS

1. INTRODUCTION AND SUMMARY

CSXT¹ hereby submits this responsive application (“Responsive Application”) pursuant to 49 U.S.C. § 11102 for terminal trackage rights over certain lines owned by NS and NPBL in the Norfolk, VA and Chesapeake, VA areas (collectively, the “Lines”). The Lines are described in detail below and depicted in the map attached as Exhibit 1.

NPBL was formed by eight railroads and was established as a belt line railroad for the mutual benefit of its owners. (CSXT Pet. to Reject, Ex. 1, at CSXT-1-76, Feb. 27, 2025.) 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.

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.

While NS's rail lines reach NIT directly, CSXT can only reach NIT by switching traffic 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.

Through the primary application in this proceeding, NS has now belatedly sought authority from the Board to control NPBL. Concurrent with filing this Responsive Application, CSXT is filing its Evidence and Argument in Opposition to the NS Control Application ("Opposition"), in which CSXT asks the Board to dismiss or deny NS's application and order NS to divest control of NPBL. Alternatively, if the Board decides to approve the NS application, CSXT asks through the Opposition for the Board to address the anticompetitive effects that CSXT has identified in the Opposition by imposing certain conditions on its approval that should allow CSXT to access NIT directly or through NPBL switching. The only condition that CSXT requests 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.

If the Board does not deny the NS application, granting CSXT the terminal trackage rights that CSXT is requesting in this Responsive Application, along with imposing the additional conditions that CSXT is requesting in the Opposition, would alleviate 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.²

² The terminal trackage rights that CSXT is seeking through this Responsive Application involve the exact same rail lines as the terminal trackage rights that

As we demonstrate in further detail below, the terminal trackage rights sought in this Responsive Application satisfy the standards set forth in 49 U.S.C. § 11102: CSXT is seeking rights to use “terminal facilities” as that term has been construed under § 11102, and the use of those facilities is “practicable and in the public interest” and will not “substantially impair[] the ability of the rail carrier[s] owning the facilities or entitled to use the facilities to handle [their] own business.” *Id.* § 11102(a).

2. BACKGROUND

The background of this case is described in detail in the Opposition, which CSXT is concurrently submitting in this proceeding. CSXT incorporates by reference the Opposition and the accompanying testimony.

3. DESCRIPTION OF THE TERMINAL TRACKAGE

By this Responsive Application, CSXT seeks terminal trackage rights over certain lines owned by NS and NPBL in the Norfolk, VA and Chesapeake, VA areas. The Lines are described in detail below.

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. (CSXT Terminal Trackage Rights)*. On June 2, 2025, NS asked the Board to hold *CSXT Terminal Trackage Rights* in abeyance pending resolution of this NS/NPBL control proceeding. (NS Motion to Hold in Abeyance 5, June 2, 2025, *CSXT Terminal Trackage Rights*, FD 36859.) On June 5, 2025, the Board stayed the procedural deadlines in *CSXT Terminal Trackage Rights* until the Board rules on NS’s abeyance motion. *CSXT Terminal Trackage Rights*, FD 36859, slip op. at 3 (STB served June 5, 2025). NS’s abeyance motion in *CSXT Terminal Trackage Rights* has been fully briefed for three months. If the Board grants CSXT this Responsive Application, the *CSXT Terminal Trackage Rights* proceeding would be moot.

- a) NPBL's line between Seaboard Junction, at approximately milepost SA2, and NS Junction, at approximately milepost NS 1.40;³
- 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 (the "Connecting Line");⁴
- 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';⁵
- 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

³ CSXT currently has certain access to NPBL's line between Seaboard Junction and Berkley Yard. CSXT's access is limited to interchange.

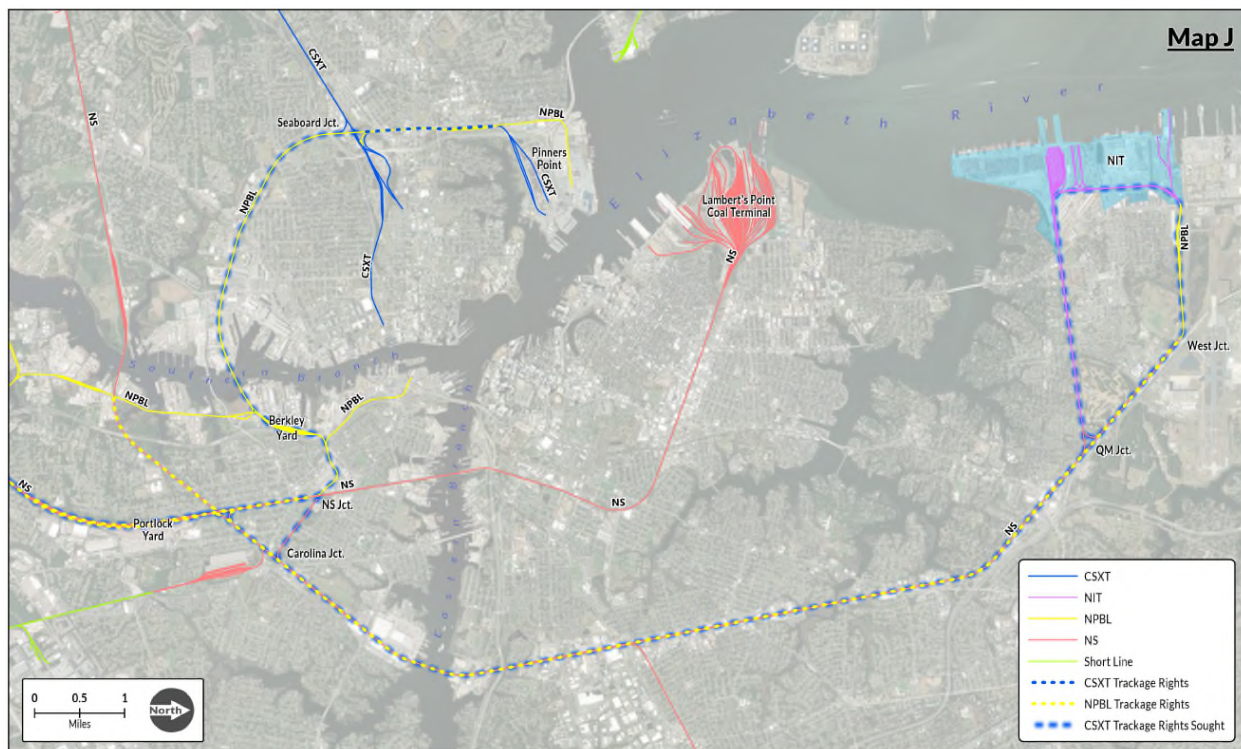
⁴ Line segment (b) consists of the same line segment described in *Norfolk S. Ry. Co.—Discontinuance of Service Exemption—in Chesapeake, VA*, AB 290 (Sub-No. 299X) (STB served May 15, 2008) and *Norfolk & Portsmouth Belt Line R.R. Co.—Discontinuance of Trackage Rights Exemption—in Chesapeake, VA*, AB 1024X (STB served May 15, 2008). Subsequently, without obtaining abandonment authority or advising the Board of its plans, NS unlawfully removed certain track assets associated with the Connecting Line, including the double diamond at NS Junction and the connection at Carolina Junction, which rendered the Connecting Line unusable.

⁵ 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.)

- 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 all three legs of the Wye at QM Junction.⁶

The Lines are depicted in the map shown below and attached as Exhibit 1.

Ex. 1 – Map of Trackage Rights Sought by CSXT



⁶ 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).

4. THE REQUESTED TERMINAL TRACKAGE RIGHTS SATISFY THE CRITERIA OF 49 U.S.C. § 11102 AND SHOULD BE GRANTED

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 demonstrates below that the requested terminal trackage rights satisfy each of these criteria.

4.1 The Lines are classic terminal facilities.

First, the line segments at issue are classic terminal facilities, including “main-line tracks for a reasonable distance outside of a terminal.” 49 U.S.C. § 11102(a). The Lines are used to reach shippers in the Norfolk marine terminal area, including NIT. NIT has become one of the most important intermodal terminals serving ocean vessels on the East Coast.

The Board has “long understood the concept of a terminal area in functional terms.” *Commuter Rail Div. of the Reg’l Transp. Auth. d/b/a Metra—Terminal Trackage Rights—Union Pac. R.R. Co. (Metra/UP)*, FD 36844, slip op. at 14 (STB served Sept. 3, 2025). “Terminal functions include the ‘transfer, collection or delivery of freight,’ and a terminal facility is ‘any property of a carrier [that] assists in the performance of the functions of a terminal.’” *Id.* (quoting *Golden Cat Div. of Ralston Purina Co. v. St. Louis Sw. Ry.*, NOR 41550, slip op. at 7 (STB served Apr. 17, 1996)). The term “terminal facilities” should be broadly construed. *See Rio Grande Indus., Inc., et al.—Purchase & Trackage Rights—Chi., Mo. & W. Ry. Co. Line Between St. Louis, Mo. & Chi., Il.*, 5 I.C.C.2d 952, 979 (1989) (“The term ‘terminal facilities’ should be interpreted broadly because the purpose of the section is highly remedial.”); *S. Pac. Transp. Co. v. ICC*, 736 F.2d 708, 723 (D.C. Cir. 1984) (“The Commission has long held that the [term] ‘terminal facilities’ should be

broadly construed because the purpose of the section is highly remedial.”); *CSX Corp.—Control—Chessie Sys., Co. & Seaboard Coast Line Indus., Inc.*, 363 I.C.C. 521, 585 (1980) (“[S]ince our power to make terminal facilities of one carrier available to another is remedial in nature, the term should be construed liberally.”).

4.2 CSXT direct service to NIT is in the public interest.

Second, the requested terminal trackage rights are clearly in the public interest. The appropriate public interest standard here is the same substantive standard that governs the Board’s consideration of the NS application and the imposition of any conditions to alleviate anticompetitive effects of any approval of the NS application. CSXT explains this standard in Section 4.2 of its Opposition. The Board has confirmed this approach in prior control proceedings where parties have filed applications for terminal trackage rights under 49 U.S.C. § 11102. *See, e.g., Union Pac. Corp.—Control & Merger—S. Pac. Rail Corp. (Decision No. 44)*, 1 S.T.B. 233, 448-49 (1996).

In *UP/SP*, the Board granted a related application for terminal trackage rights jointly filed by the primary applicants in the *UP/SP* merger proceeding and Burlington Northern Railroad Company and The Atchison, Topeka and Santa Fe Railway Company (collectively, “BNSF”). The application requested that the Board’s predecessor enter an order permitting BNSF to use certain line segments owned by The Kansas City Southern Railway Company (“KCS”). *Id.* at 446. The Board stated that it was “apply[ing] the broad ‘public interest’ standard that is in section 11103(a) [now 11102(a)] itself.” *Id.* at 448-49. The Board further stated:

Congress gave us broad authority in both the public interest standard in section 11103 [now 11102(a)] and in the public interest standard of section 11343 [now 11323]. Thus, we believe that it is appropriate for us to retain the flexibility to use the terminal trackage rights provision to prevent carriers opposing a merger from blocking our ability to craft merger conditions that are clearly in the public interest.

Id. at 449.⁷ The Board concluded that “[u]se by BNSF of the . . . KCS segments is in the public interest because it is essential to the merger conditions permitting BNSF to provide a competitive alternative in the Houston–Memphis and Houston–New Orleans corridors.” *Id.* at 448. *See also BNSF Ry. Co.—Terminal Trackage Rights—Kansas City S. Ry. Co. & Union Pac. R.R. Co. (BNSF/KCS)*, FD 32760 (Sub-No. 46), slip op. at 8-9 (STB served July 5, 2016) (“BNSF’s current application for terminal trackage rights flows directly from the *UP/SP* merger, and we will therefore apply the broad and flexible public interest standard outlined in *UP/SP Decision No. 44.*”).

The same standard applies here. If the Board decides to approve NS’s application, the Board should find that CSXT’s use of the requested terminal trackage is in the public interest because it is essential to the conditions that the Board should impose in this proceeding to alleviate the anticompetitive effects of NS’s continued control over NPBL. As discussed in detail in the Opposition, NS has proven over the last half-century that it can wield its control over NPBL to exclude CSXT from accessing NIT via NPBL’s switching services. Only direct trackage rights for CSXT would ensure that NS could no longer manipulate NPBL in this anticompetitive manner if the Board allows NS to continue to control NPBL. Thus,

⁷ The Board also held that, in the merger context, it is inappropriate to apply the standard articulated in *Midtec Paper Corp. v. Chicago & North Western Transp. Co.*, 3 I.C.C.2d 171 (1986), and the Board specifically overruled any prior cases that suggested otherwise. *Decision No. 44*, 1 S.T.B. at 448.

the public interest would be served by granting CSXT direct access to on-dock rail at NIT, should the Board decide to grant the NS primary control application.

Furthermore, as discussed in the Opposition, in order to provide any service at NIT, CSXT has been forced to move intermodal containers to and from NIT by truck across town and then transload them to rail. CSXT direct access to on-dock rail at NIT would largely replace the current drayage operations, which would serve the public interest by removing unnecessary trucks from public roads.

Various stakeholders have submitted letters in this proceeding expressing their concerns regarding CSXT's current drayage operations and supporting CSXT on-dock rail access at NIT:

- Virginia Governor Glenn Youngkin filed a letter with the Board, stating that CSXT's drayage workaround "results in more than 20,000 tractor trailers annually using local roads to transfer freight between the terminals," and ultimately "leads to congestion and delays which decreases safety."
(Youngkin Letter 2, Aug. 27, 2025.)
- State Senator Angelia Williams Graves filed a letter stating that, "[w]ithout the ability to move cargo efficiently by rail, many containers must be transported by truck through densely populated areas of the city—particularly along Hampton Boulevard . . . [and] [t]he resulting congestion, combined with increased safety concerns, is a growing issue for constituents and stakeholders alike." (Graves Letter 1, Aug. 11, 2025.)
- Delegate Bonita Anthony filed a letter noting that "[p]roviding [CSXT] access to competitive on-dock rail service at Norfolk International Terminals would significantly reduce truck volume on Hampton Boulevard, removing tens of thousands of trucks each year." (CSXT Letter, Aug. 26, 2025 (enclosing letter from Bonita Anthony).)

- Additionally, VPA filed comments stating that, “[n]ot only are these ‘cross-town’ drays for the [CSXT] cargo costly due to the additional re-handling, but the drayage service is inefficient, and unnecessarily congests local roads.” (VPA Letter 4, Mar. 5, 2025.)

The public interest would clearly be served by granting CSXT direct access to on-dock rail at NIT, which would enable CSXT to largely replace its current drayage operations.

4.3 CSXT direct service is practicable and would not substantially interfere with NS or NPBL operations.

Third, CSXT’s trackage rights use of the Lines will be “practicable and in the public interest without substantially impairing the ability of [NS or NPBL] to handle [their] own business.” 49 U.S.C. § 11102(a).

In prior proceedings, the Board has found that use of terminal facilities would meet this statutory standard in circumstances where the new terminal trackage rights operations would replace other operations on the subject lines, thereby ensuring that sufficient capacity existed on the subject lines for the trackage rights operations.

For example, in *UP/SP*, the Board found that use by BNSF of KCS’s segments would not substantially impair KCS’s ability to handle its own traffic because, “[f]or the most part, BNSF trains [would] be using track capacity freed up by UP/SP, so that [KCS’s] track will not be subjected to greater use by other railroads than it was previously.” *Decision No. 44*, 1 S.T.B. at 447. The Board further noted, “[w]e believe that the traffic handled by BNSF will replace traffic now handled by SP.” *Id.* Additionally, the Board found that use by BNSF of KCS’s segments was practicable, stating, “[w]e realize that the terminal trackage rights we are approving may make operations at Shreveport slightly more complicated than they are now because three carriers will be operating over them rather than

two, but this will simply ‘require coordination of operations between the parties.’” *Id.* (citing *Union Pac. Corp.—Control—Mo. Pac. R.R. (UP/MP/WP)*, 366 I.C.C. 462, 576 (1982); *see also BNSF/KCS*, FD 32760 (Sub-No. 46), slip op. at 15-16 (“[T]he addition of a third carrier could entail many operational adjustments, some of which may be complicated. But the fact that this would ‘require coordination of operations’ among all the parties does not warrant a finding that such operations are not practicable.”)).

Here, the Board should find that CSXT direct service is practicable and would not substantially interfere with NS or NPBL operations over the Lines. NS has already effectively acknowledged that service to NIT over the NS trackage by another carrier is practicable. NS claims that CSXT has direct access to NIT today via a switch with NPBL at a “cost-based” rate, and that CSXT will continue to have that direct access if the Board approves NS’s application. (NS Appl. 6, 10, June 13, 2025.) According to NS, CSXT has simply chosen not to use its on-dock rail access to NIT via NPBL and “has historically favored moving NIT traffic by drayage.” (*Id.* at 18.)⁸ This is plainly false, as discussed further in the Opposition. Nevertheless, if – as NS claims – CSXT has direct access to NIT today via NPBL switching operations, then CSXT’s use of the Lines would largely just take the place of NPBL switching operations that NS and NPBL maintain could take place today.⁹

⁸ In his recent deposition, Michael McClellan, NS’s key witness supporting the application, stated that ({ [REDACTED] }). (Ex. 2, McClellan Dep. Tr. 110:3-5, Aug. 18, 2025; *see also id.* at 110:3-10, 111:2-4.)

⁹ Cannon Moss, NPBL’s President and General Manager, recently testified that { [REDACTED] } (See Ex. 3, Moss Dep. Tr. 126:11-14, Aug. 28, 2025) ({ [REDACTED] }); (*see also id.* at 155:14-17) ({ [REDACTED] }).)

CSXT provides below a description of its proposed operations over the Lines, including CSXT's preferred route and two alternative routes.¹⁰ CSXT's proposal demonstrates that its use of the terminal trackage would be practicable and would not substantially interfere with NS or NPBL operations.

With terminal trackage rights, CSXT will be able to convert its current drayage operations to on-dock rail and to compete with NS for the traffic that NS is currently handling, with the effect of largely replacing some of NS's existing operations. CSXT would expect to operate a single double-stack intermodal train over the Lines within one six-hour window of time each day. During this window, CSXT trains would have priority to operate over the Lines. This arrangement would enable CSXT to carefully plan its operations over the Lines and would result in CSXT's movements being accurate, consistent, and reliable.

In VPA's fiscal year 2024, CSXT moved approximately 26,000 containers via NIT by truck. This traffic would be converted to on-dock rail using CSXT's trackage rights. But a single daily CSXT train with a length of up to 10,000 feet could accommodate up to approximately 250,000 containers per year, giving CSXT the ability to replace a substantial volume of NS's existing traffic in that single train. Should NIT traffic volume increase at some future time to require a second daily CSXT train, CSXT would work with NS and NPBL to identify a second six-hour window for such operation. CSXT would also work with Virginia International Terminals ("VIT") and NS to upgrade the NIT rail infrastructure to enable faster yarding and assembly of trains at NIT.

¹⁰ CSXT recognizes that, as required by the statute, the Board leaves the details regarding how a party would use terminal facilities to the carriers to resolve among themselves. 49 U.S.C. § 11102(a); *BNSF/KCS*, FD 32760 (Sub-No. 46), slip op. at 16; *Metra/UP*, FD 36844, slip op. at 33.

4.3.1 CSXT's Proposed Operations Over the Lines (Preferred Route)

The Preferred Route for CSXT's trackage rights operations includes the Connecting Line. As noted above, without obtaining abandonment authority or advising the Board of its plans, NS unlawfully removed certain track assets associated with the Connecting Line, which rendered the Connecting Line unusable. In the Opposition and related STB proceedings, CSXT is requesting that the Board order NS to restore the Connecting Line. CSXT's Opposition describes why use of the Connecting Line enables efficient CSXT trackage rights operations to NIT.

Under this Preferred Route, CSXT's train would start at Seaboard Junction and move over NPBL's line to NS Junction. CSXT anticipates that this movement would take approximately 30 minutes. At NS Junction, CSXT's train would continue moving over NS's line to Carolina Junction, crossing over the Connecting Line. At Carolina Junction, CSXT's train would continue moving over NS's line to QM Junction. At QM Junction, the VIT Yardmaster would direct the CSXT train's movements within the NIT loop. CSXT anticipates that the movement between NS Junction and NIT would take 60 to 90 minutes, which is approximately the same amount of time that NS crews currently take to move directly between NS's Portlock Yard and NIT.

When CSXT's train is ready to depart, the train would leave QM Junction upon receiving clearance from the VIT Yardmaster and the NS dispatcher. CSXT's train would continue moving over NS's line to Carolina Junction. At Carolina Junction, CSXT's train would continue to NS Junction, crossing over the Connecting Line. At NS Junction, CSXT's train would continue moving over NPBL's line to Seaboard Junction.

4.3.2 CSXT's Proposed Operations Over the Lines (Alternative Route No. 1)

If the Connecting Line were not restored and the Preferred Route was thus not available, CSXT would be forced to make less efficient movements over other NS line segments included within the scope of this Responsive Application. CSXT's train would start at Seaboard Junction and move over NPBL's line to NS Junction. At NS Junction, CSXT's train would continue moving over NS's line to Carolina Junction via NS's New Berkley Line N-Line and V-Line tracks. Given anticipated speed restrictions on this segment, CSXT expects that this Alternative Route No. 1 would add approximately 30 minutes to the total movement as compared to the Preferred Route. At Carolina Junction, CSXT's train would continue moving over NS's line to QM Junction. At QM Junction, the VIT Yardmaster would direct the CSXT train's movements within the NIT loop.

When CSXT's train is ready to depart, the train would leave QM Junction upon receiving clearance from the VIT Yardmaster and the NS dispatcher. CSXT's train would continue moving over NS's line to Carolina Junction. At Carolina Junction, CSXT's train would continue to NS Junction via NS's New Berkley Line N-Line and V-Line tracks. At NS Junction, CSXT's train would continue moving over NPBL's line to Seaboard Junction.

4.3.3 CSXT's Proposed Operations Over the Lines (Alternative Route No. 2)

If CSXT were unable to use the Preferred Route or Alternative Route No. 1, CSXT would be forced to move into NS's Portlock Yard. As with the other two routes, CSXT's train would start at Seaboard Junction and move over NPBL's line to NS Junction. Upon receiving clearance and instructions from the NS Yardmaster and the NS dispatcher, CSXT's train would proceed from NS Junction through NS's Portlock Yard to the south end of the yard. At the south end of Portlock Yard,

CSXT's train would have to be disassembled and reassembled, consistent with yard rules and instructions from the NS Yardmaster and the NS dispatcher.

The CSXT locomotives would then move north through the yard via a clear track. The NS Yardmaster and the NS dispatcher would direct the CSXT movements to reassemble the train. Next, the CSXT train would need to perform a successful brake test. Upon receiving clearance from the NS Yardmaster and the NS dispatcher, CSXT's train would then depart Portlock Yard and begin moving over NS's V-Line tracks to Carolina Junction. This process of moving through Portlock Yard would add several hours to the total movement as compared to the Preferred Route. At Carolina Junction, CSXT's train would continue moving over NS's line to QM Junction. At QM Junction, the VIT Yardmaster would direct the CSXT train's movements within the NIT loop.

When CSXT's train is ready to depart, the train would leave QM Junction upon receiving clearance from the VIT Yardmaster and the NS dispatcher. The return trip over the NS and NPBL lines to Seaboard Junction would largely mirror the process described in the prior paragraph, including all assembly and reassembly in Portlock Yard.

* * *

CSXT's proposed operations would not substantially impair the ability of NS or NPBL to handle their own business. CSXT understands that NS and/or NPBL currently operate over the routes described above, with the exception of the Connecting Line. Additionally, CSXT understands that NS currently serves NIT three times per day, and NPBL serves customers near NIT regularly. As noted, CSXT is proposing to begin its operations over the Lines within one six-hour window of time each day, leaving three six-hour windows of time for NS and NPBL operations. CSXT is prepared to coordinate operations with NS and NPBL.

As the Board has recognized, the addition of another carrier (CSXT) to the Lines could entail operational adjustments, but the fact that this would require coordination of operations among all the parties does not warrant a finding that such operations are not practicable or would substantially impair the ability of NS or NPBL to handle their own business. *See Decision No. 44*, 1 S.T.B. at 447 (citing *UP/MP/WP*, 366 I.C.C. at 576); *BNSF/KCS*, FD 32760 (Sub-No. 46), slip op. at 15-16.

Additionally, CSXT direct access to on-dock rail at NIT using the Preferred Route would be much more efficient than access via NPBL switching, which NS claims CSXT can use today. As explained in the Verified Statement of Maryclare Kenney, CSXT's Vice President of Merchandise – Sales and Marketing, if CSXT wanted to utilize NPBL's switching service to move a 10,000-foot train of export freight to NIT, the movement would require two stops with two train dis-assemblies and re-assemblies. (V.S. Kenney 12, Sept. 18, 2025.)

Specifically, for exports, the CSXT train would have to pull into NPBL's Berkley Yard from the west, where it would be disassembled into several different sidings and parked. Then, the locomotive would have to be removed and replaced with an NPBL locomotive, and then reassembled. This process would take several hours. The NPBL train would then have to pull into NS's Portlock Yard and be dis-assembled in sidings. The locomotive would have to do a runaround, and finally, the train would have to be re-assembled and then pulled out onto NS-owned track for the trip to NIT. This process would likely take several hours.

It would be much more efficient and less disruptive if CSXT is granted direct access to on-dock rail at NIT, particularly using the Preferred Route described above.

4.4 CSXT should be permitted to commence operations over the subject trackage while the parties negotiate the terminal trackage rights compensation payable to NS and NPBL.

Finally, 49 U.S.C. § 11102(a) provides that compensation for joint use of terminal facilities is to be established by the carriers or, if they cannot reach an agreement, by the Board. Section 11102(a) further provides that “[t]he compensation shall be paid or adequately secured before a rail carrier may begin to use the facilities of another rail carrier under this section.” CSXT is prepared to negotiate compensation terms with NS and NPBL as provided in § 11102(a). However, the Board should not require that the compensation be established before CSXT is able to begin use of the Lines. Such a requirement would delay the public benefits of CSXT direct access to on-dock rail at NIT. CSXT will comply with the statutory requirements before CSXT begins its trackage rights use of the facilities.

In prior proceedings, the Board and its predecessor have permitted parties to commence trackage rights operations immediately upon consummation of the primary transaction. *See, e.g., UP/MP/WP*, 366 I.C.C. at 576 n.114. This approach was affirmed and held to satisfy former 49 U.S.C. § 11103(a) in *S. Pac. Transp. Co. v. I.C.C.*, 736 F.2d at 722-24. *See also Decision No. 44*, 1 S.T.B. at 449. (“Because the terminal trackage rights are crucial to the competitive role that BNSF will play in the Houston-Memphis and Houston-New Orleans corridors, we will make them effective on the effective date of this decision.”).

A similar approach should be followed in this proceeding: If the Board decides to approve the NS application, CSXT should be permitted to commence operations over the Lines while the parties negotiate the terminal trackage rights compensation payable by CSXT to NS and NPBL (or, failing such negotiations, while compensation terms are imposed by the Board), so that the public benefits of CSXT direct access to on-dock rail at NIT can finally be achieved without any further unnecessary delay.

5. CONCLUSION

For the reasons stated above, CSXT respectfully requests that this Responsive Application be accepted, and that this Responsive Application for terminal trackage rights as herein described be granted.

Respectfully submitted,

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Dated: September 18, 2025

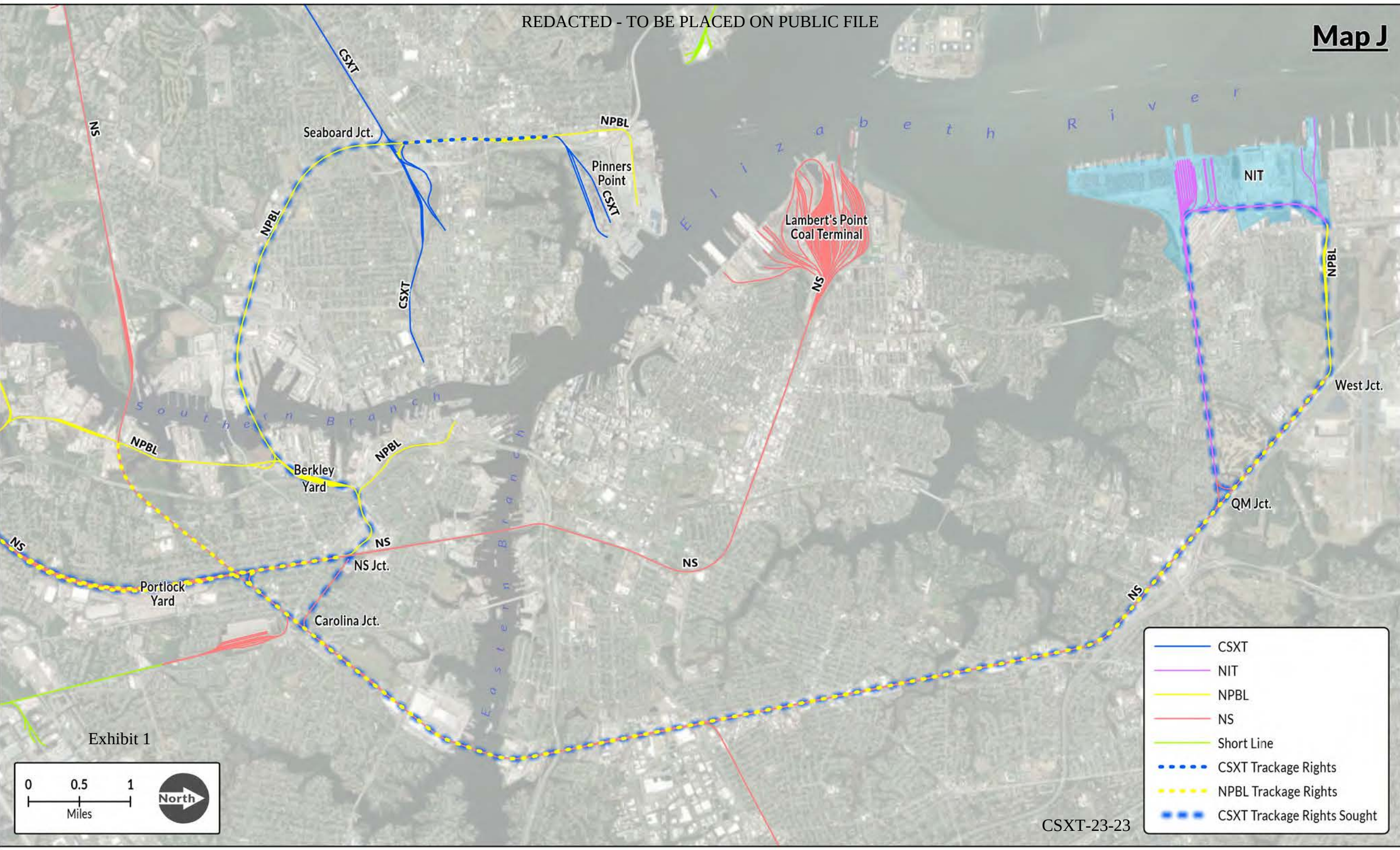
BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36836

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

EXHIBIT 1

MAP OF TRACKAGE RIGHTS SOUGHT BY CSXT



- CSXT
- NIT
- NPBL
- NS
- Short Line
- CSXT Trackage Rights
- NPBL Trackage Rights
- CSXT Trackage Rights Sought

BEFORE THE
SURFACE TRANSPORTATION BOARD

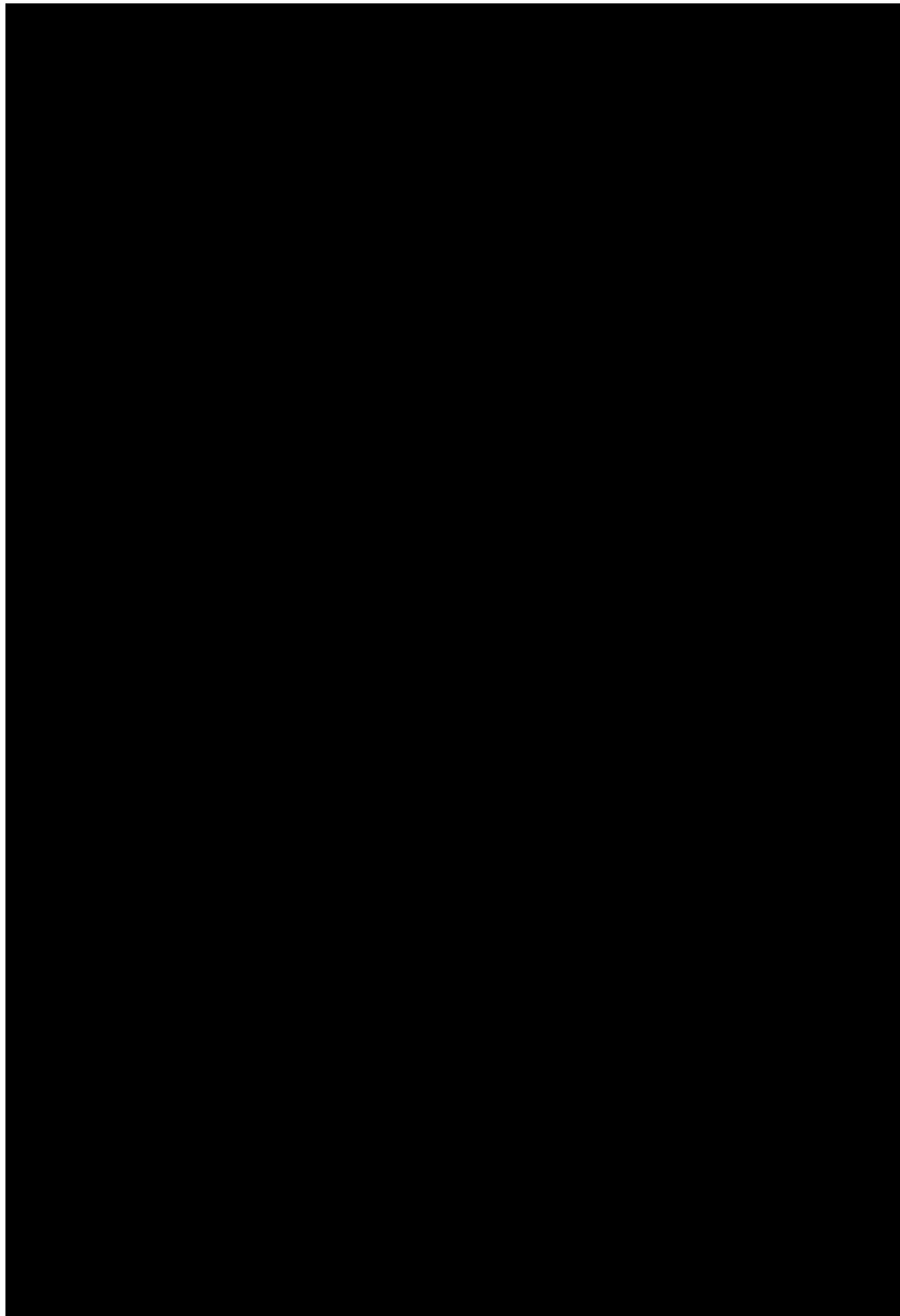
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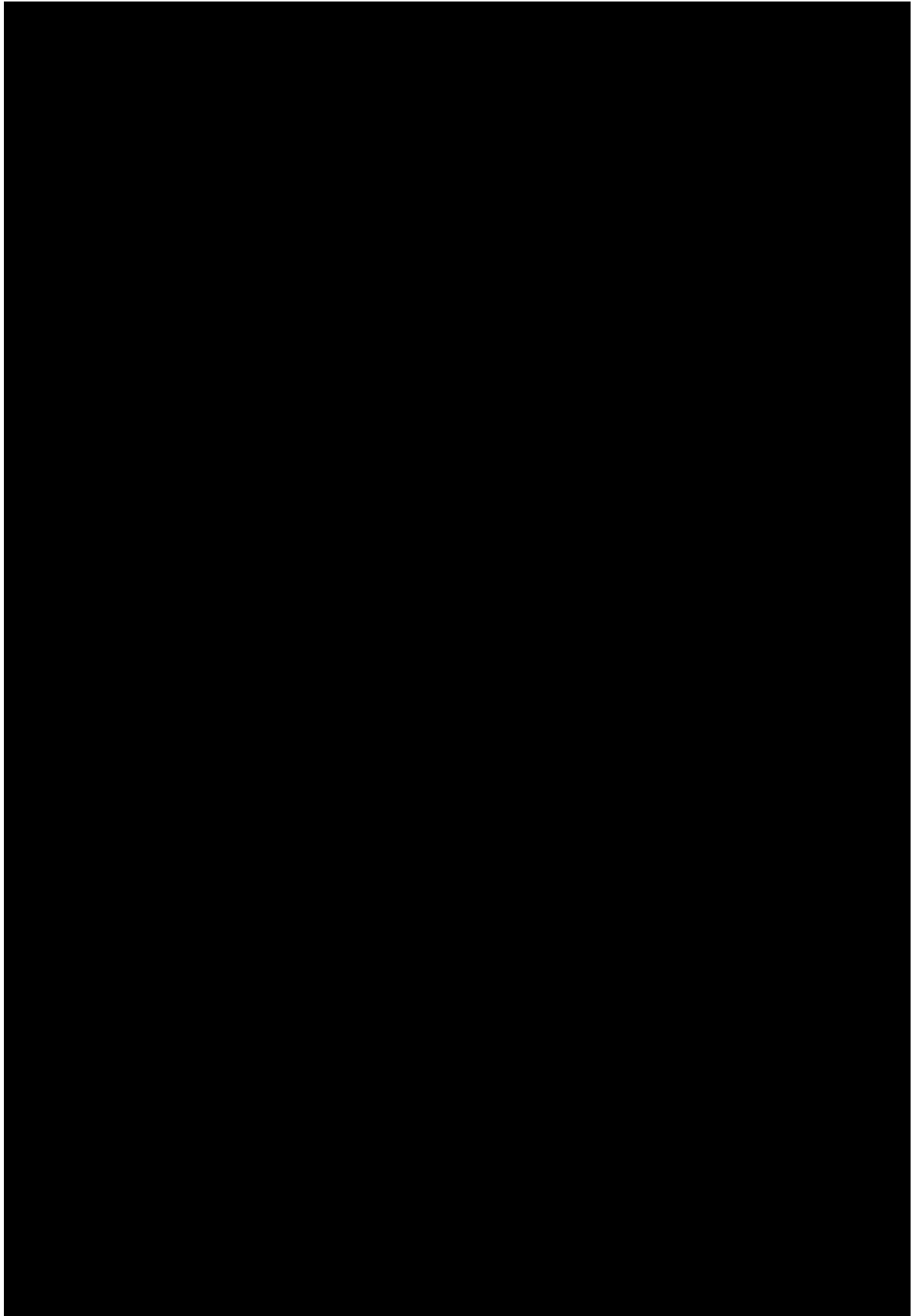
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NORFOLK SOUTHERN RAILWAY COMPANY
—ACQUISITION OF CONTROL—
NORFOLK & PORTSMOUTH BELT LINE RAILROAD COMPANY

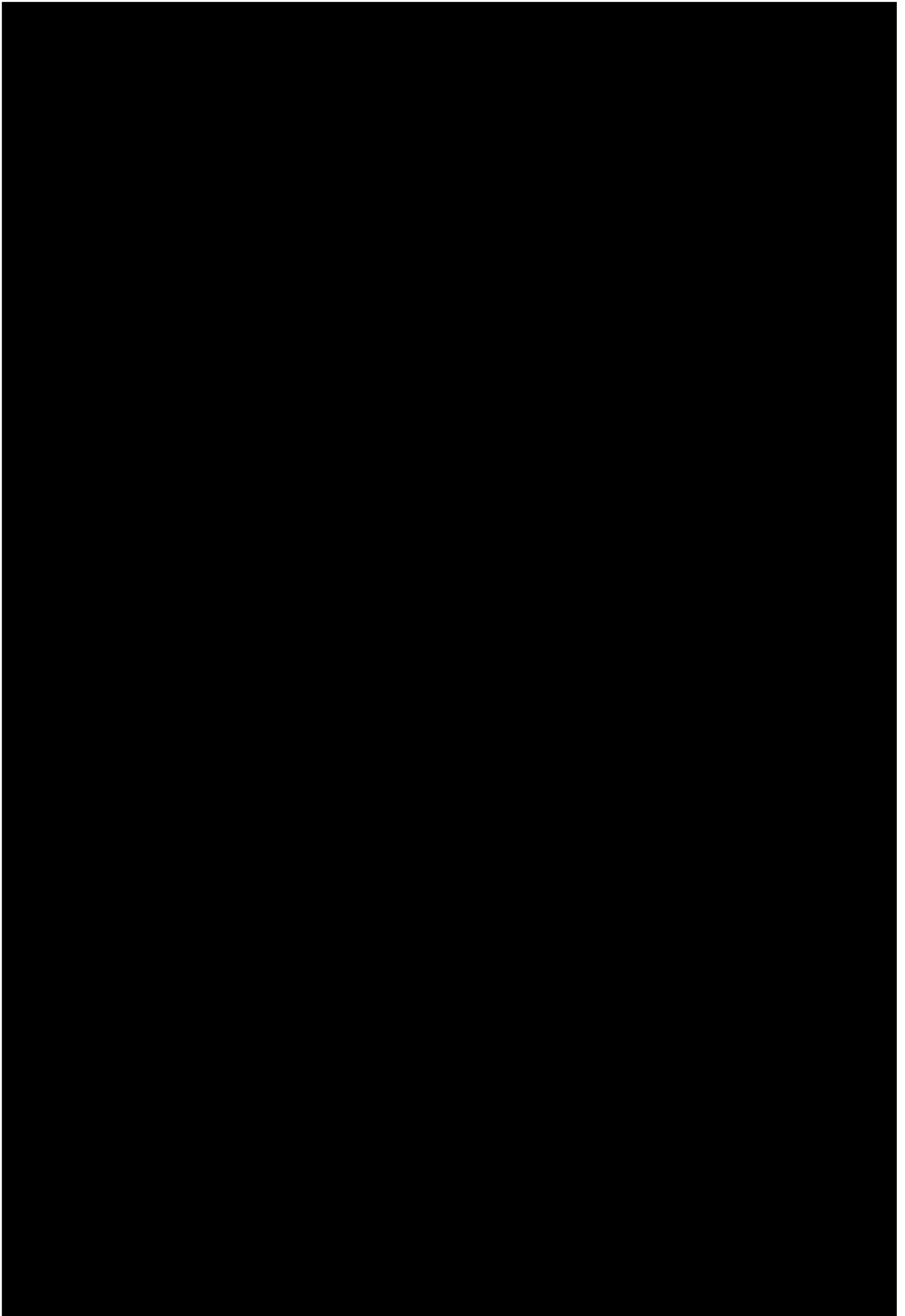
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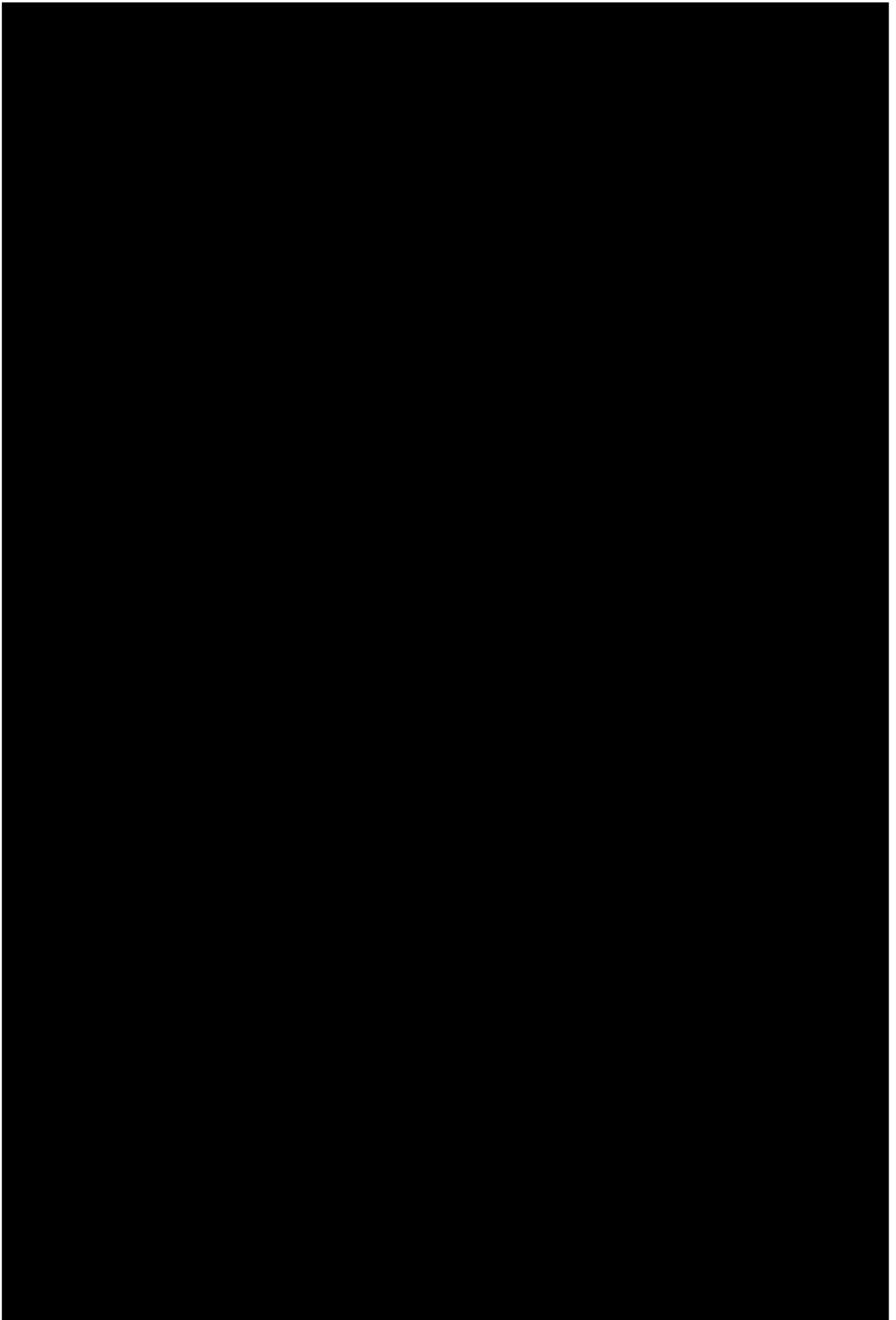
EXCERPTS FROM TRANSCRIPT OF AUGUST 18, 2025
DEPOSITION OF MICHAEL R. MCCLELLAN

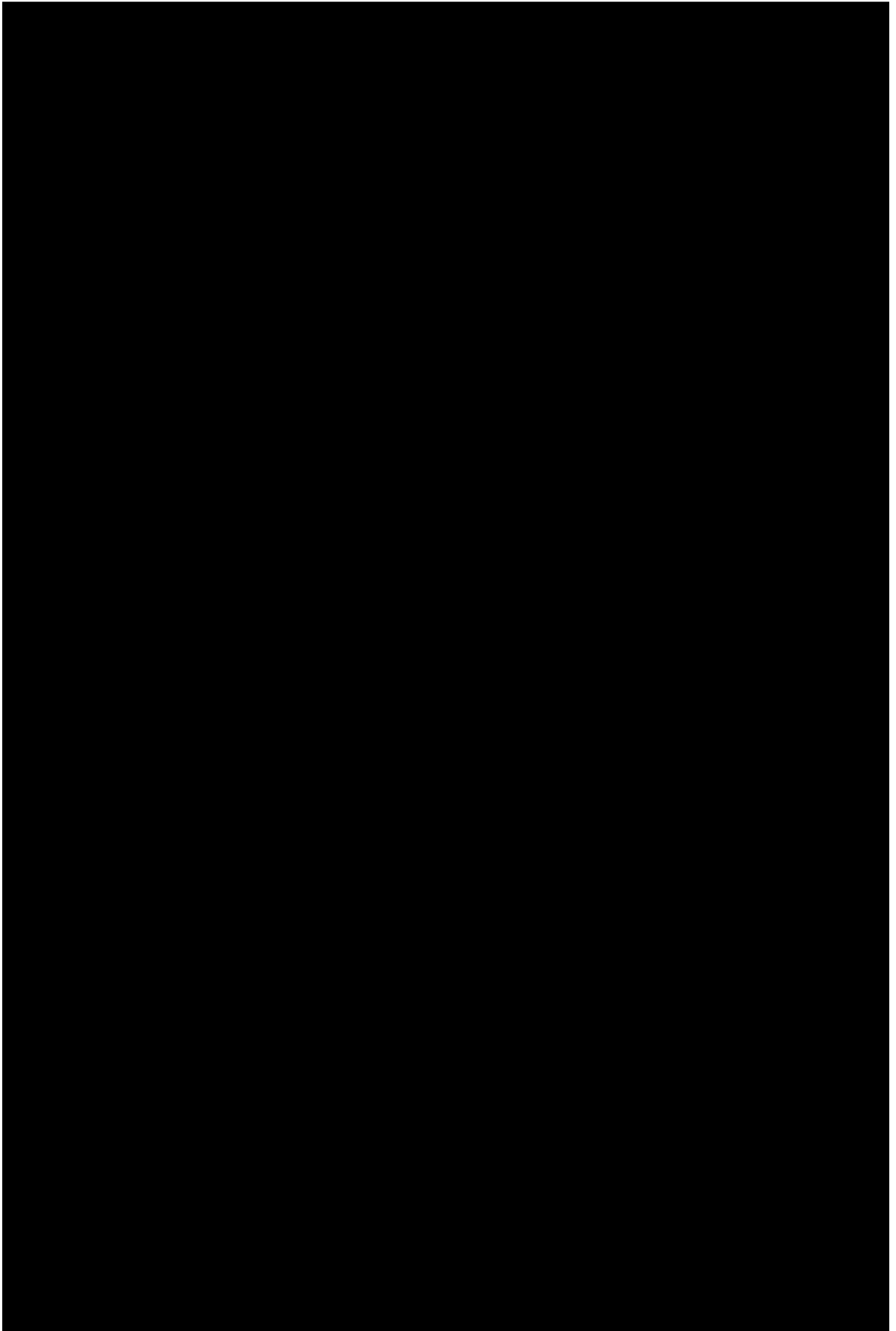
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BEFORE THE
SURFACE TRANSPORTATION BOARD

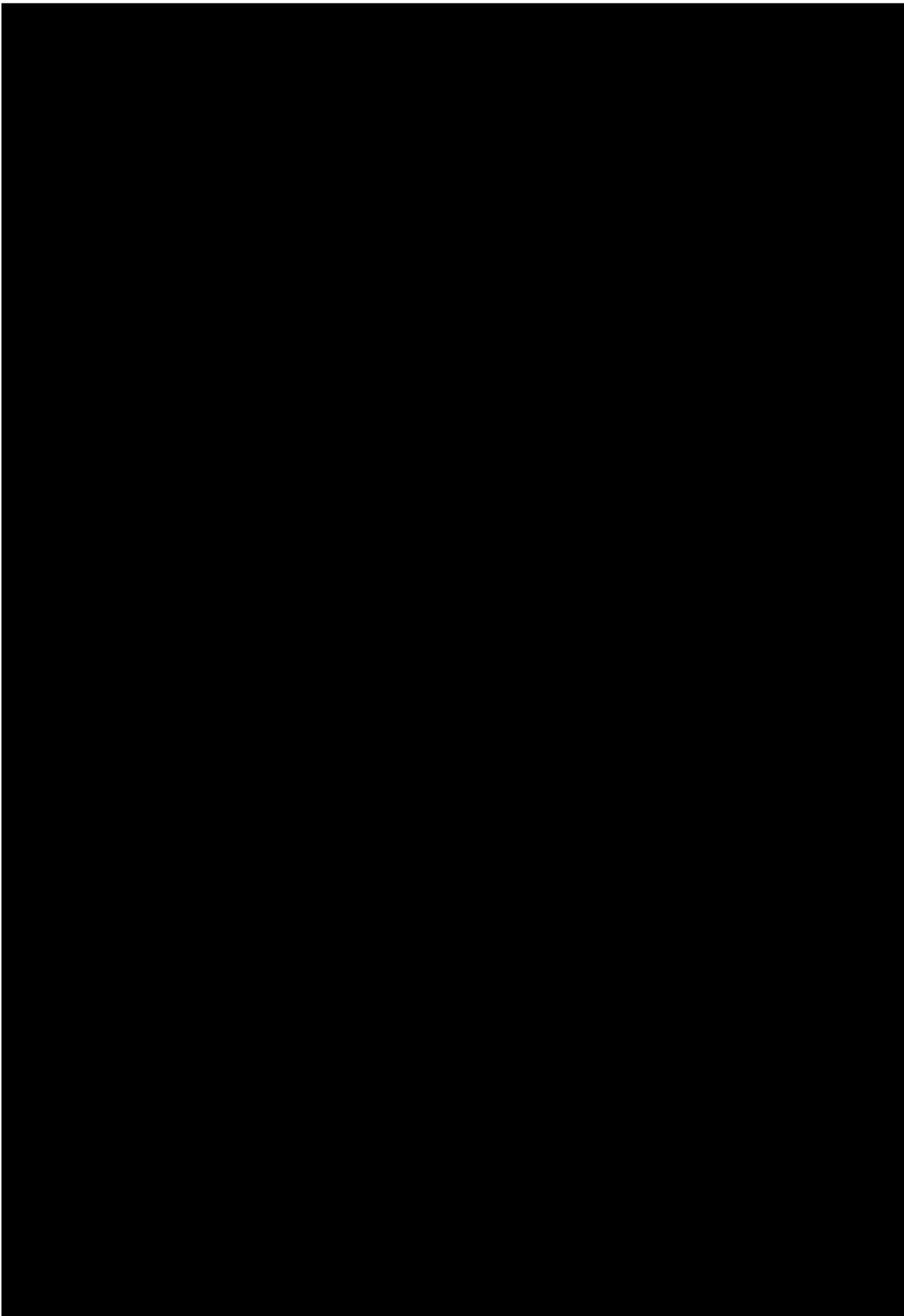
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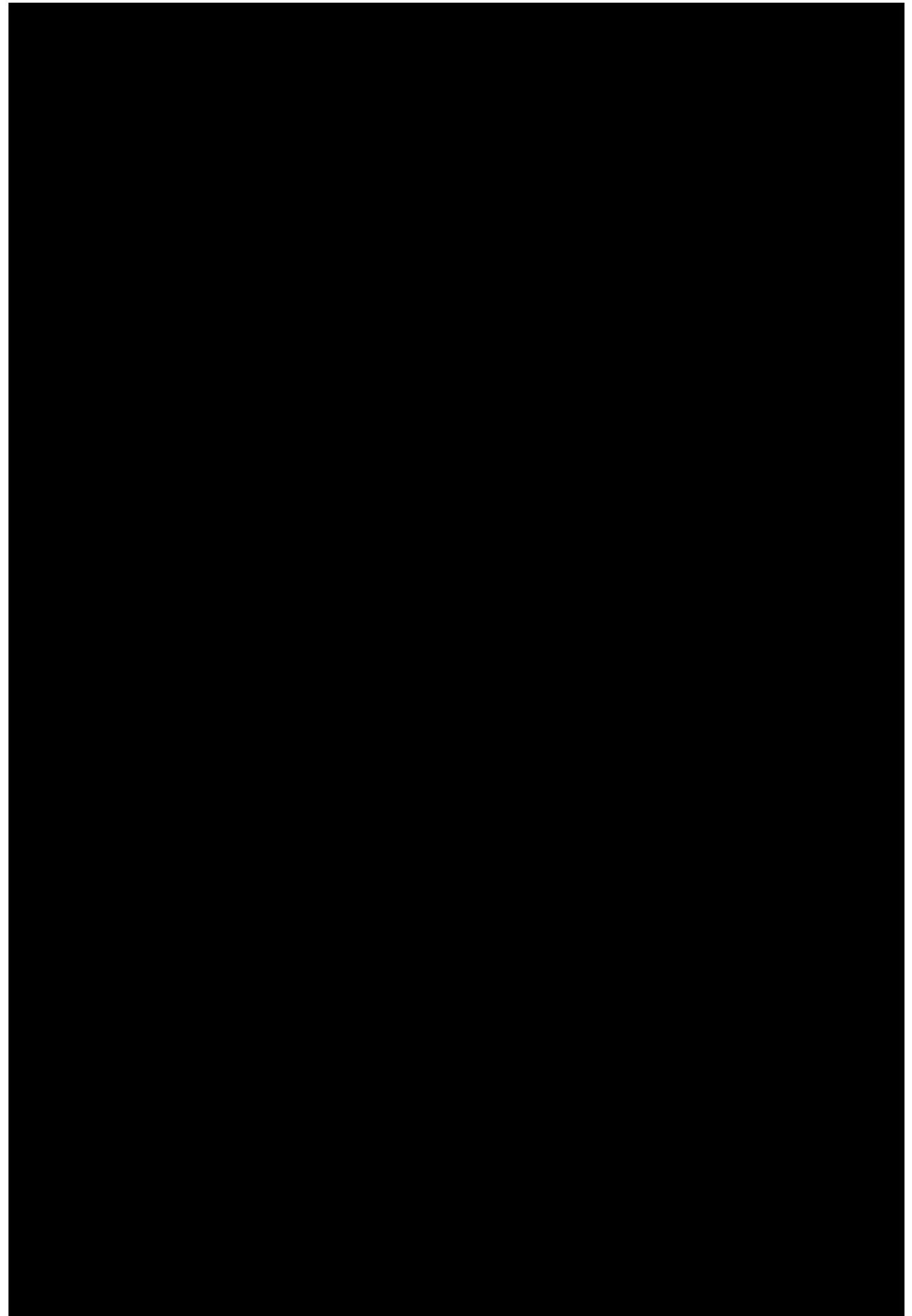
NORFOLK SOUTHERN CORPORATION &
NORFOLK SOUTHERN RAILWAY COMPANY
—ACQUISITION OF CONTROL—
NORFOLK & PORTSMOUTH BELT LINE RAILROAD COMPANY

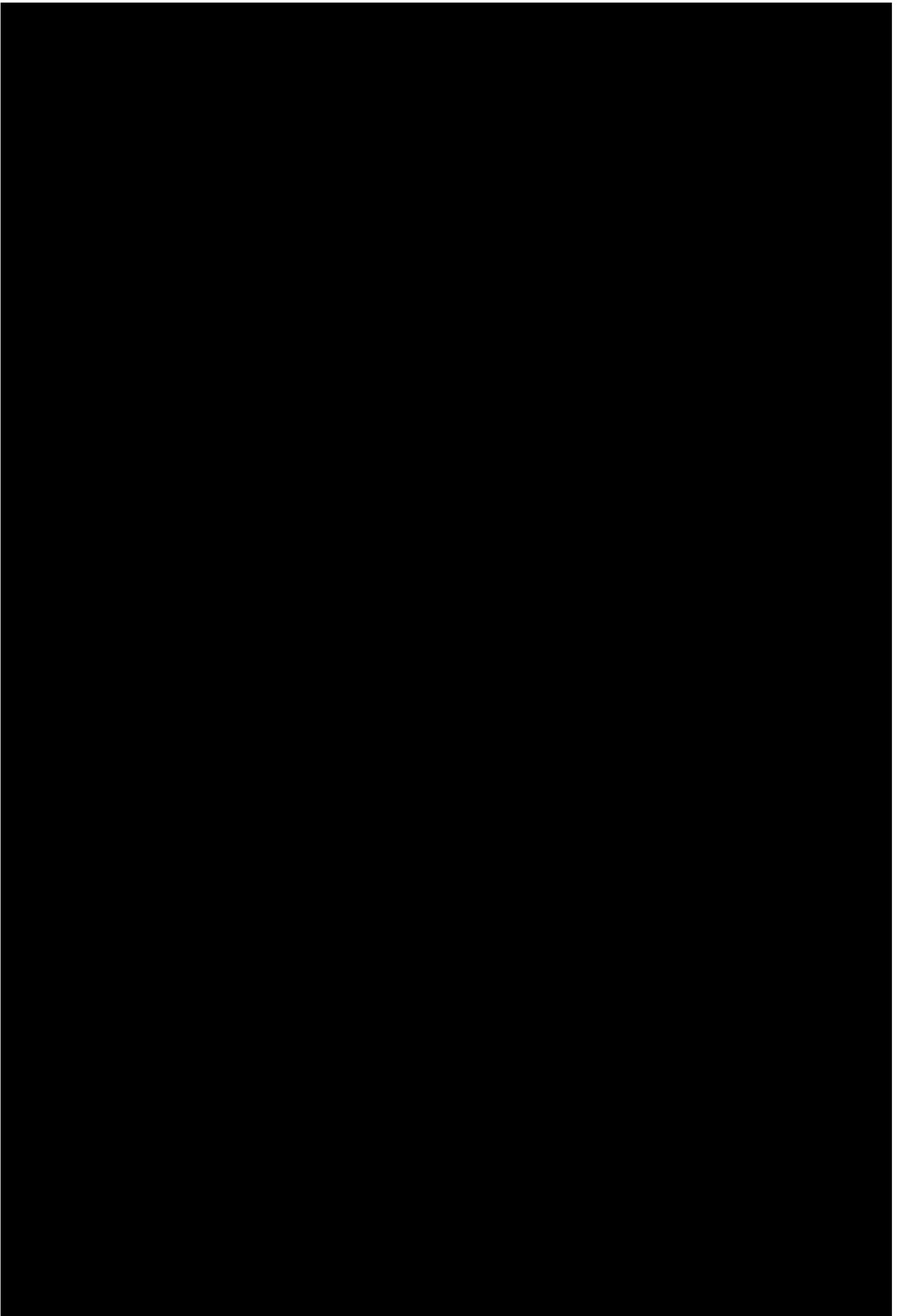
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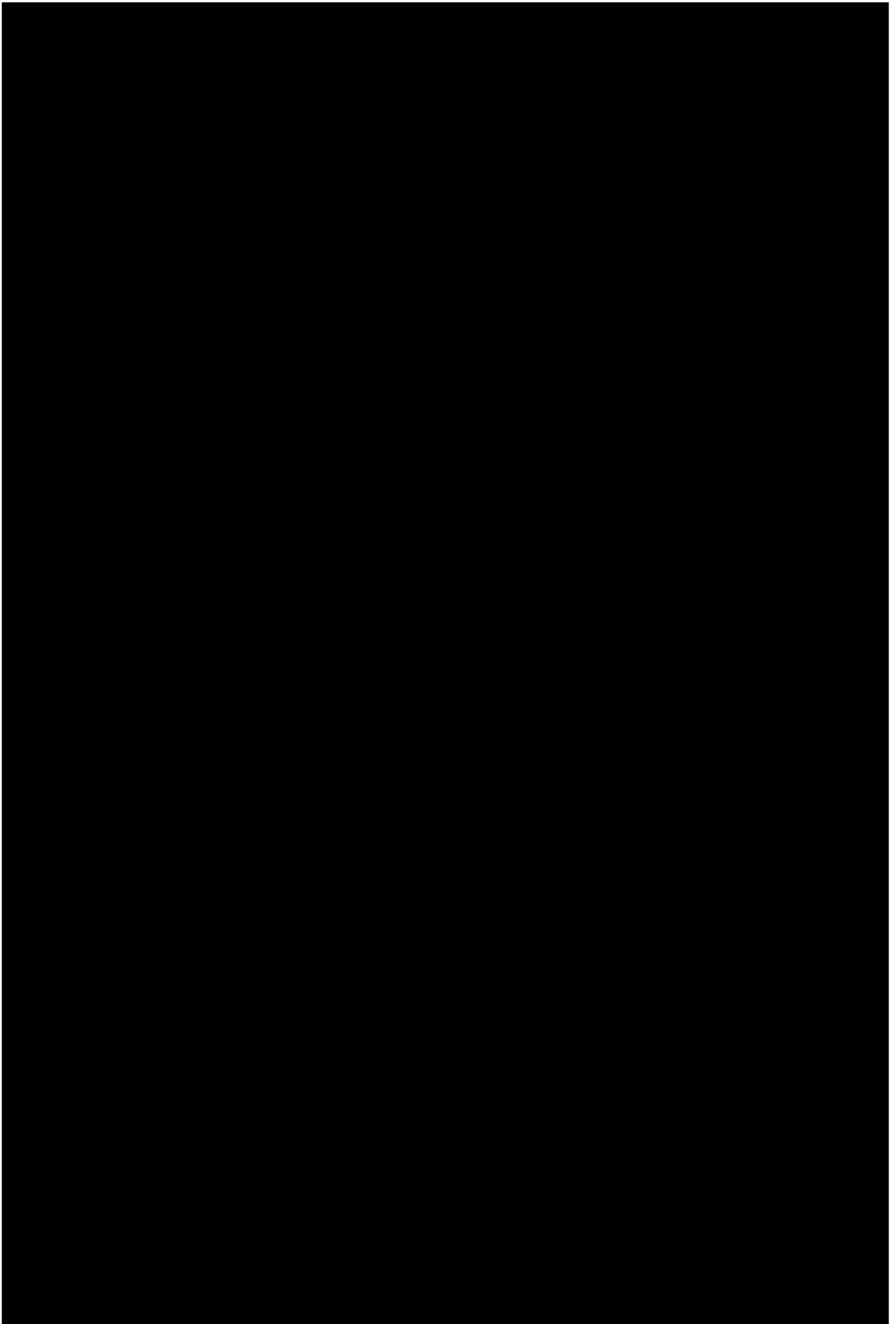
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DEPOSITION OF CANNON MOSS

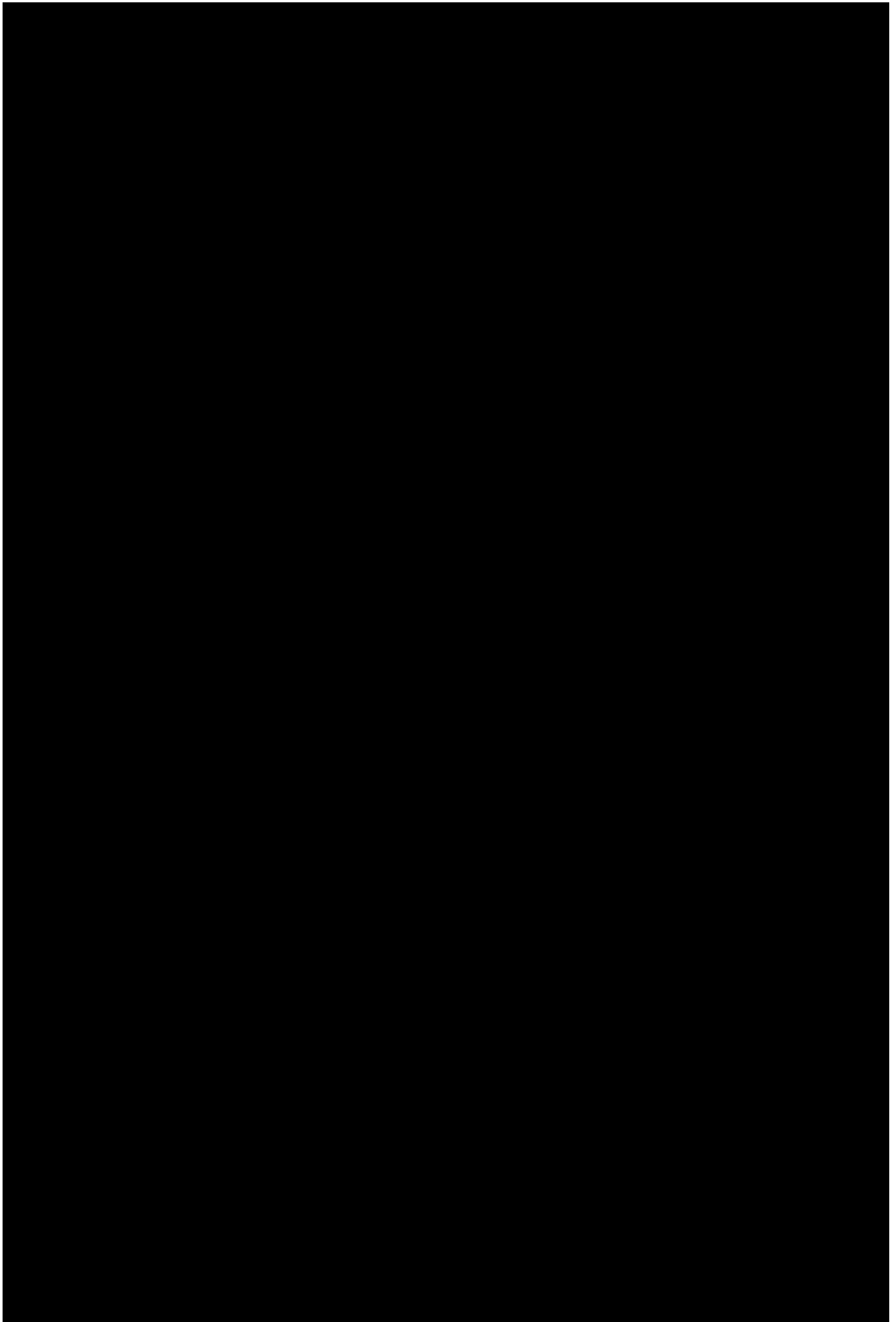
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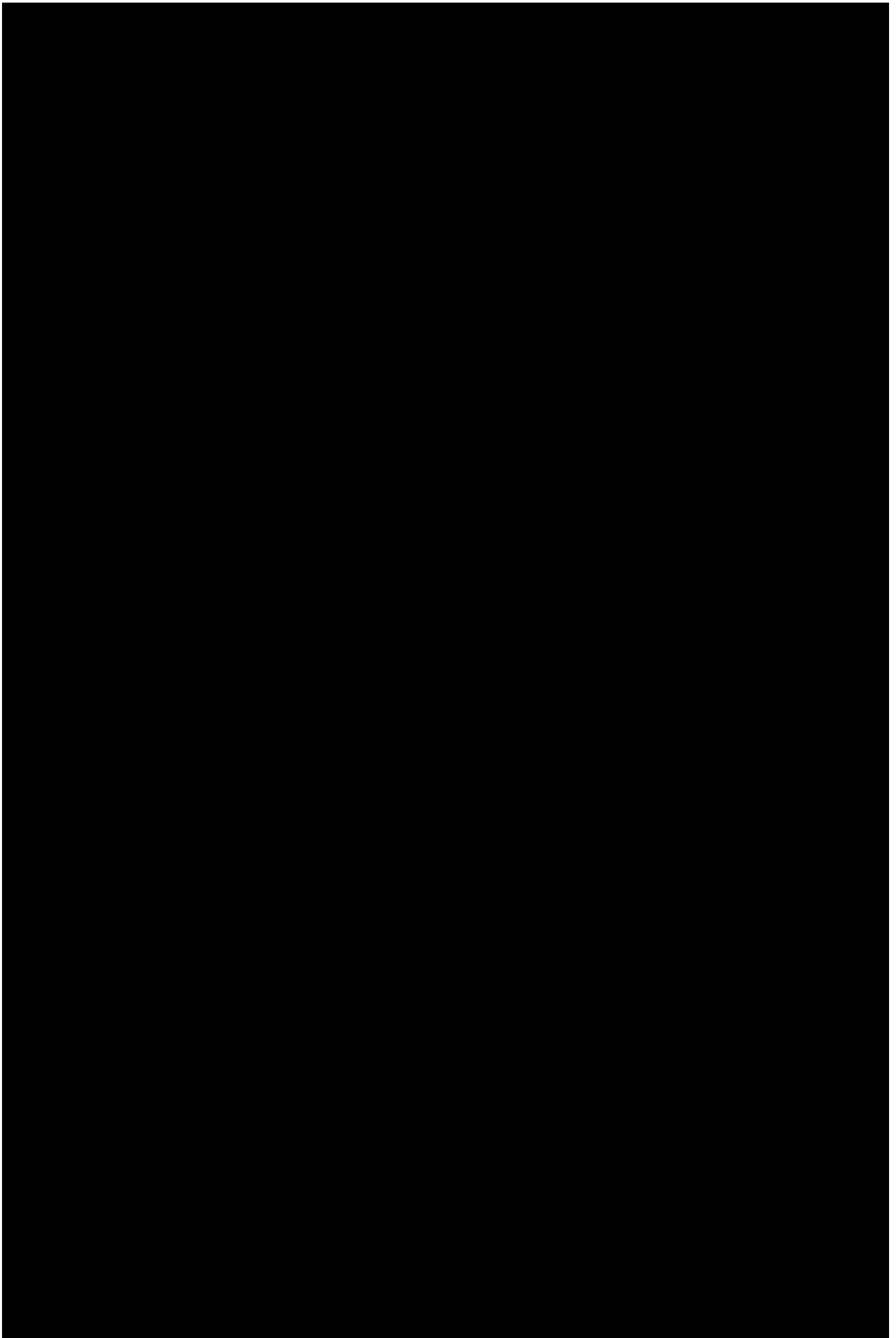












VERIFICATION

I, Maryclare Kenney, declare under penalty of perjury that I am Vice President of Merchandise – Sales and Marketing of CSX Transportation, Inc., that I am authorized to make this verification, and that I have read the foregoing Application for Terminal Trackage Rights and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

/s/ Maryclare Kenney
Maryclare Kenney

September 18, 2025

CERTIFICATE OF SERVICE

I hereby certify that I have caused this CSX Transportation, Inc.'s Application for Terminal Trackage Rights in Finance Docket No. 36859 to be served electronically or by first class mail, postage pre-paid, on the Secretary of Transportation, the Attorney General of the United States, Administrative Law Judge Jenifer Soulikias, Applicants' representative, William Mullins, and all parties of record in this proceeding.

/s/ Sally Mordi
Sally Mordi
Attorney for CSX Transportation, Inc.

September 18, 2025