

SURFACE TRANSPORTATION BOARD**Ex Parte 788****Eliminating Regulatory Barriers to Competition:
Review of Part 1144****Summary of Ex Parte Meeting Between CSX Transportation, Inc.,
and Surface Transportation Member and Vice Chair Michelle A. Schultz****March 25, 2026**

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CSXT Attendees:

- Michael Burns, Senior Vice President, Chief Legal Officer
- John Patelli, Vice President and Chief Regulatory Counsel

STB Attendees:

- Michelle Schultz, Member and Vice Chairman
- Jessica Caine, Attorney Advisor

Meeting Summary:

CSXT thanked Vice Chairman Schultz for the opportunity to meet. CSXT acknowledged the Board's concerns that the regulations at 49 C.F.R. Part 1144 have been criticized by shippers and agreed that it would be constructive for the Board to provide more clarity on what factors would support Board-ordered prescriptions for reciprocal switching and through routes. CSXT explained that while it does not oppose repealing Part 1144 in principle, doing so as contemplated in the notice of proposed rulemaking raises significant statutory and reliance issues. Without the anticompetitive conduct standard, a void is left in its place. The underlying statutes are vague. CSXT emphasized that the Board should provide further guidance on how it will evaluate prescription requests for reciprocal switching and through routes if it moves forward with repeal of Part 1144.

CSXT briefly summarized its comments on the proposed rule. CSXT discussed how the company has relied on the Board's longstanding interpretation and application of the competitive access regulations in evaluating when and where to make capital investments to support long-term growth from new and existing customers. CSXT addressed Vice Chairman Schultz's questions regarding how such capital investments are made. CSXT explained how a change in those regulations creates uncertainty with respect to the availability of future volumes and undermines those investments while discouraging future capital expenditures. CSXT referenced operational challenges that would flow from expanded application of these remedies. CSXT also discussed how a key motivation for those calling for the repeal Part 1144 is the reduction of rail rates outside Congress and the Board's rate reasonableness framework and how expanded open access will reduce railroad revenues. And CSXT noted the resulting reduction in revenue will impact railroads' ability to reinvest in their networks. CSXT addressed Vice Chairman Schultz's

questions as to how repealing the regulations at Part 1144 would specifically impact through routes.

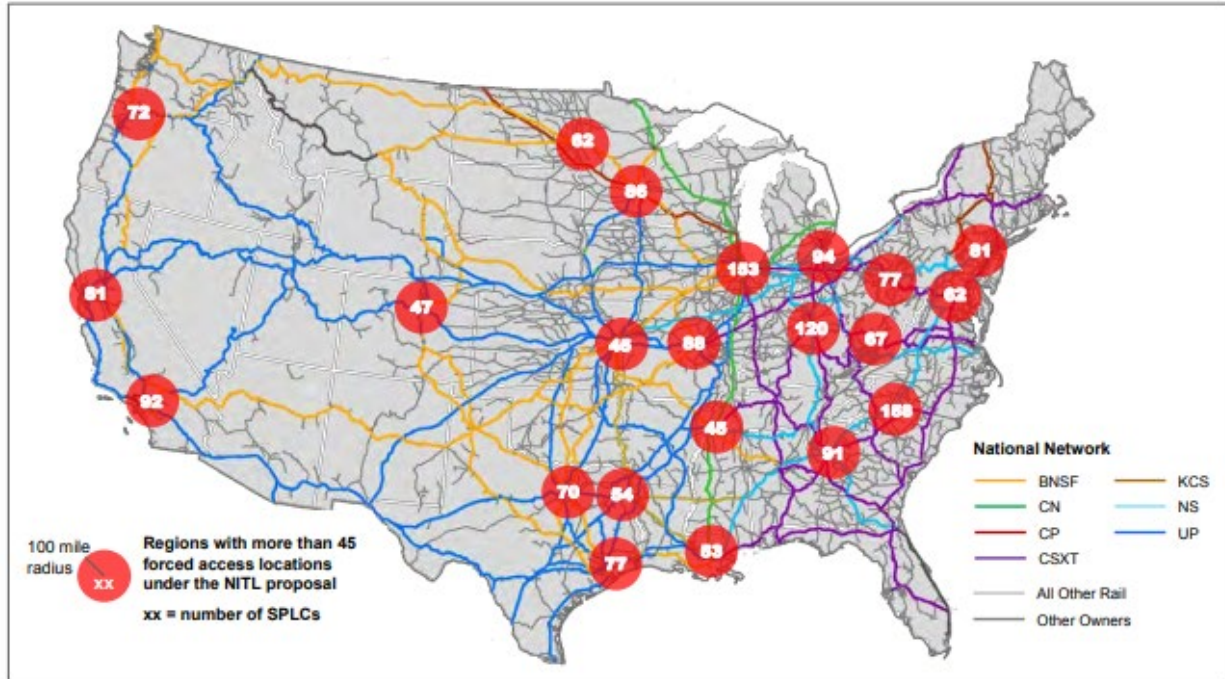
To give a sense of the magnitude of CSXT carload volumes potentially subject to Board-ordered reciprocal switching, CSXT provided a map depicting the carloads that originated or terminated within 30 miles of a Class I interchange location during 2025. The map does not distinguish between sole-served and dual-served customer locations, but was provided to give a directional sense of how many carloads could be impacted due to being within close proximity to another Class I carrier. This map is an updated version of the map CSXT provided during ex parte meetings in Docket No. EP 711 (Sub-No. 1). CSXT is assessing whether it will be able to provide the Board more with insight into dual-served vs. sole-served in CSXT's reply filing.

To illustrate how expanded open access disproportionately impacts the Eastern Class I carriers, CSXT provided a second map depicting the higher concentration of cross-overs between CSXT and Norfolk Southern as compared to their western counterparts. This map was submitted by AAR and CSXT in prior proceedings. *See* AAR Opening Comments, Verified Statement of W. Rennie at 97, Docket No. EP 711 (filed Mar. 1, 2013); CSXT Opening Comments at 68–69, Docket No. EP 711 (Sub-No. 1) (filed Oct. 26, 2016). CSXT concluded by reiterating its support of the Board's desire to address shipper concerns and discussed ways the Board could address these concerns, including through modifying rather than repealing the regulations at Part 1144 by replacing the anticompetitive conduct language with clearer guidance as to what types of market failure or other railroad conduct would give rise to Board action.

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

Appendix
Reciprocal Switch Impact Maps

U.S. Class I Impact Map from AAR EP 711-1 Submission (2013)



CSX Internal Impact Map from EP 711-1 (Updated)

