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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***

STB Docket No. NOR 42183, *CSX Transportation, Inc. v. Norfolk Southern Corporation and Norfolk Southern Railway Company*

STB Docket No. FD 36859, *CSX Transportation, Inc.—Terminal Trackage Rights—Norfolk Southern Railway Company and Norfolk & Portsmouth Belt Line Railroad Company*

STB Docket No. AB 290 (Sub-No. 299X), *Norfolk Southern Railway Company—Discontinuance of Service Exemption—In Chesapeake, VA*

STB Docket No. AB 1024X, *Norfolk & Portsmouth Belt Line Railroad Company—Discontinuance of Trackage Rights Exemption—In Chesapeake, VA*

Dear Chief of Case Administration:

CSX Transportation, Inc. (“CSXT”) respectfully submits this first status report to the Surface Transportation Board (“Board”) pursuant to the Board’s decision in STB Docket Nos. NOR 42183, FD 36859, AB 290 (Sub-No. 299X), and AB 1024X (STB served July 6, 2026) (“Abeyance Decision”). In that decision, the Board granted CSXT’s motion for continued abeyance of the Complaint Proceeding (Docket No. NOR 42183), the Trackage Rights Proceeding (Docket No. FD 36859),

and the Discontinuance Proceedings (Docket Nos. AB 290 (Sub-No. 299X) and AB 1024X) (collectively, the “Related Proceedings”) and directed CSXT to “submit a status report to the Board every 90 days from the effective date of this order, until such time as the Related Proceedings have been resumed or terminated.” *Id.* The Abeyance Decision was effective on the date of service, July 6, 2026. This is CSXT’s first 90-day status report.¹

Background

On April 6, 2026, the Board issued its decision in *Norfolk Southern Corp. & Norfolk Southern Ry.—Acquisition of Control—Norfolk & Portsmouth Belt Line R.R.*, STB Docket No. FD 36836 (STB served Apr. 6, 2026) (“Control Decision”), approving Norfolk Southern Corporation and Norfolk Southern Railway Company’s (collectively, “NS”) acquisition of control of the Norfolk & Portsmouth Belt Line Railroad Company (“NPBL”), subject to conditions. The Board imposed a five-year oversight period during which NPBL must inform the Board of any changes to its switching and related tariffs, any significant operational changes, and any significant changes to its track and related facilities.

The Board conditioned its approval on NS adhering to representations that NS will continue to operate NPBL as an “impartial terminal railroad” on a “uniform, cost-plus basis” for its connecting carriers; that “[n]o existing transportation options for shippers and carriers will be reduced” and “[n]o existing rights of CSXT or NPBL will be reduced or limited in any way”; and that there will be no changes in interchange options or routing options. The Board understood these representations to mean, among other things, that NS will ensure that NPBL and rail access to Norfolk International Terminal (“NIT”)² will be kept open to CSXT on commercially reasonable terms. The Board indicated it would consider reopening the proceeding or issuing a supplemental order if NS acts inconsistently with those representations.

CSXT commenced the Related Proceedings in 2025, while NS’s application for control of NPBL was pending before the Board. On September 25, 2025, the Board granted NS’s motion to hold the Related Proceedings in abeyance, on the ground that the Related Proceedings and the Control Proceeding involved similar parties, subject matter, requests for relief, underlying facts, and arguments. As a result,

¹ Additionally, CSXT is submitting this report in STB Docket No. FD 36836, *Norfolk Southern Corporation & Norfolk Southern Railway Company—Acquisition of Control—Norfolk & Portsmouth Belt Line Railroad Company* (“Control Docket”), to help inform the Board’s oversight in that matter.

² NIT is the largest of the four marine terminals at the Port of Virginia and is operated by Virginia International Terminals, Inc. (“VIT”).

when the Board issued the Control Decision on April 6, 2026, the Related Proceedings remained pending before the Board but were held in abeyance.

Following the Control Decision, CSXT informed the Board of its plans to request that NPBL provide switching service for intermodal cars in CSXT's account to and from on-dock rail at NIT. Viable access to on-dock rail at NIT has always been CSXT's goal, and CSXT undertook this effort in a good-faith attempt to rely on the Board's conditions imposed in the Control Decision to achieve this goal. (See CSXT Letter 1-2, May 13, 2026, FD 36836 et al.) CSXT requested continued abeyance of the Related Proceedings without prejudice to, and expressly preserving, all of CSXT's claims and positions in those proceedings. The Board granted continued abeyance on July 6, 2026, finding good cause because it would allow the parties time to privately negotiate a service arrangement that could narrow or moot the disputes.

Status of On-Dock Rail Service

CSXT reports that, on July 21, 2026, it started to move certain intermodal traffic via NPBL switching to on-dock rail at NIT. Over the ten-week period from inception of service through October 2, CSXT has moved an average of {{ [REDACTED] }} containers to or from NIT via NPBL each week, totaling approximately {{ [REDACTED] }} feet of rail cars each week.³ The CSXT/NPBL service now operates approximately five days per week (Monday through Friday), moving intermodal traffic for three customers. The remainder of CSXT's intermodal business to NIT continues to move by VIT-subsidized drayage, consistent with the status quo before these NPBL switching efforts. CSXT's goal is to build density and convert all of its NIT intermodal business from drayage to on-dock rail.

During this initial period, CSXT, NIT, and NPBL have held constructive daily calls, Monday through Friday, to coordinate operations, discuss projected releases and any concerns, and work collaboratively to improve the service. On September 11, 2026, a CSXT executive team conducted an in-person site visit to NIT and NPBL's Berkley Yard to observe these operations firsthand.

These are encouraging first steps and CSXT appreciates NPBL's cooperative efforts to start the service. But CSXT's experience during this initial period has also revealed a number of significant barriers to expanding the existing pilot project, described in detail below. Overcoming each of these barriers will require NS and NPBL coordination and will be necessary to achieve commercially viable, scalable on-dock rail access to NIT of the kind contemplated by the Control Decision. CSXT

³ The volume metrics have been designated as highly confidential. CSXT presumes that NPBL, pursuant to its obligation to act as a neutral railroad, has not been sharing this sensitive business information with NS.

will work with NS and NPBL on these issues and will continue to report its progress to the Board.

Barriers to Commercially Viable and Scalable Service

1. Train Length Restriction

Shortly after CSXT began the pilot program, NPBL imposed a train-length cap of 5,800 feet (including locomotives) on CSXT's inbound trains to NPBL's Berkley Yard. NPBL claims that yarding a train longer than 5,800 feet at Berkley Yard requires taking "headroom" beyond NPBL's own trackage and onto track controlled by NS. CSXT's crews do not have authority to operate on NS trackage, so NPBL must dispatch its own crew to make the headroom move—which NPBL has indicated strains its limited crew resources.

On September 18, 2026, CSXT sent NS a formal request—from CSXT's Director of Joint Facilities to NS's Director of Interline/Joint Facilities—seeking limited operating rights to operate over a defined segment of NS's Lambert Point Line beginning at NS Junction and extending toward Portlock Yard, solely for the purpose of making the headroom moves necessary to yard CSXT's trains at Berkley Yard. As CSXT noted in its request, the CSXT operations would not require any additional NS capacity, as CSXT would merely be replacing NPBL's headroom move (which would also have the effect of making NPBL's crew usage more efficient).

On September 29, NS denied CSXT's request, reasoning that the operating rights were unnecessary because of NPBL's 5,800-foot limitation. That reasoning is circular: the 5,800-foot cap exists only because longer trains cannot be yarded at Berkley Yard without taking headroom on NS trackage, which is the very problem the requested operating rights would solve. NS's denial therefore locks in place the 5,800-foot cap that CSXT's request was designed to remove. The restriction has forced CSXT to leave intermodal traffic behind on multiple occasions, holding back thousands of feet of rail cars that could otherwise be delivered to NIT.⁴

The 5,800-foot train-length cap, combined with NS's refusal to allow CSXT limited operating rights on the Lambert Point Line, presents a significant barrier to scaling CSXT's service to NIT. Even if NPBL lifted the cap, any train long enough to require headroom would face the same yarding problem—and longer trains are exactly what growth of the service will require. This restriction is costly for CSXT and impairs CSXT's ability to pursue new business, including additional steamship-

⁴ In addition, NPBL imposed a requirement that CSXT must arrive at Berkley Yard with at least two and a half hours of crew service time remaining so that the train can be yarded before the crew's hours of service expire.

line volumes, because CSXT cannot offer the train sizes that shippers and ocean carriers require.

{{ [REDACTED] }} CSXT understands that NS's own service to NIT consists of two trains of approximately 10,000 feet per day. {{ [REDACTED] }} which is why the cap—along with the other barriers discussed here—prevents CSXT from building the efficient, scalable operation that effective service at NIT requires.

2. Crew Limitations and Seven-Day Service

CSXT initially designed the CSXT/NPBL switching service to operate four days per week, moving traffic two days per week between NIT and Chicago, and the other two days between NIT and Louisville. Because customers accustomed to CSXT's existing seven-day NIT drayage program found that schedule inadequate, CSXT expanded the NPBL switching service to five days per week in August 2026 and limited traffic to the Chicago lane. CSXT has asked NPBL to expand further to seven-day service. This would improve consistency, reduce the size of individual train blocks, and lessen the impact of constraints such as the 5,800-foot cap.

But NPBL does not currently have the crew resources to provide seven-day-per-week service. NPBL presently operates with limited crew and cannot support weekend operations. NPBL has indicated that it expects to provide seven-day service in or around December 2026, once NPBL trains four additional crew members. In the meantime, CSXT's service to NIT is limited to weekday operations and cannot provide the every-day availability that an efficient, customer-responsive intermodal operation requires.

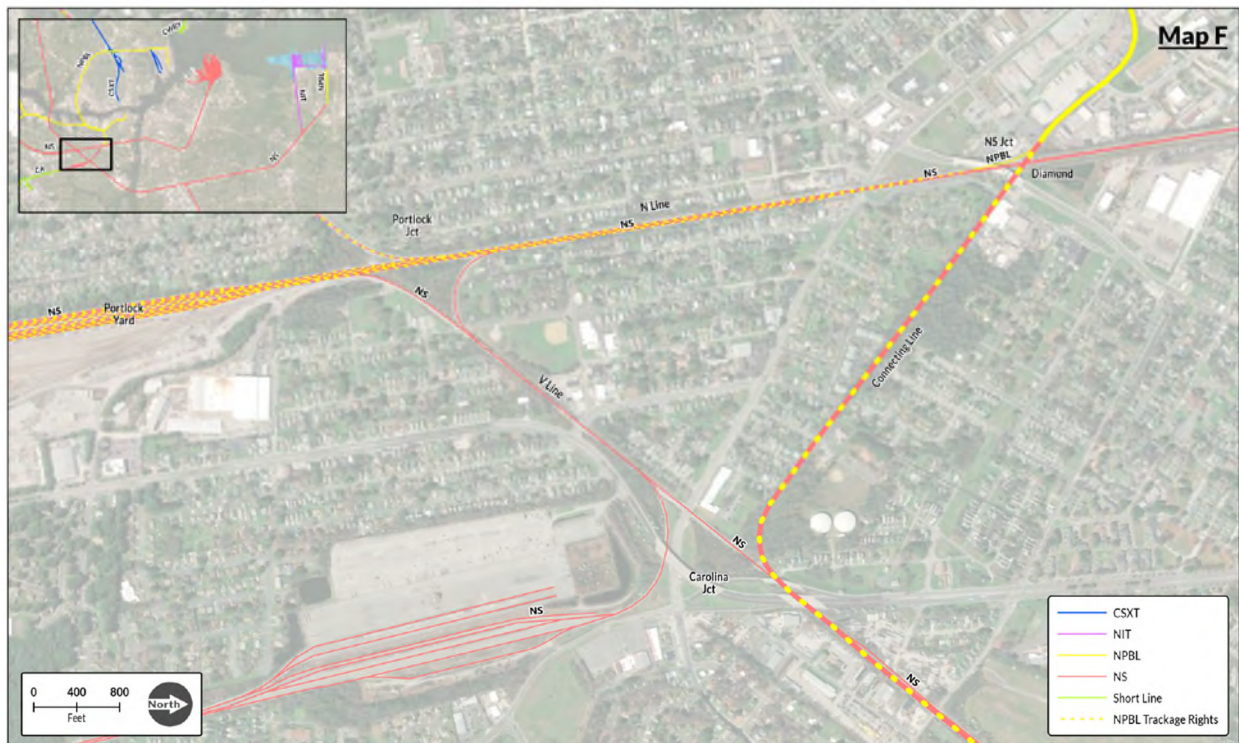
CSXT customers have expressed the need for a competitive seven-day service option. The current limitation constrains CSXT's ability to provide the consistent, competitive service that intermodal customers expect and that is necessary to grow the business. And together with the train-length cap, the lack of weekend service compounds the problem: CSXT can neither spread its volume across more days to stay within the cap nor run longer trains to move its volume on the days that it does operate.

3. Inability to Use the Connecting Line

The inability to use the Connecting Line makes the movement to NIT considerably more complicated and time-consuming. The Connecting Line is a

segment of NS's line between NS Junction and Carolina Junction in Chesapeake, Virginia (a distance of approximately 0.90 miles). This is the same line segment at issue in the Discontinuance Proceedings (Docket Nos. AB 290 (Sub-No. 299X) and AB 1024X). After NS and NPBL discontinued service over the Connecting Line, NS removed certain track assets, including the double diamond at NS Junction and the connection at Carolina Junction, rendering the line unusable.

Since CSXT/NPBL switching service began, NS has lifted a curvature restriction at Portlock Junction that initially prevented NPBL from moving longer single-well intermodal cars (cars over approximately 73 feet in length) without disruptive runaround moves in NS's Portlock Yard. However, that change is no substitute for the Connecting Line, which remains necessary for NPBL to move traffic to and from NIT efficiently. Map F (below) depicts the route NPBL could use to access NIT via the Connecting Line, if NS restored the track assets and if NPBL regained its trackage rights over this line segment.



**Map F. NPBL Trackage Rights Near the Connecting Line
Prior to the 2008 Discontinuance**

Restoring the Connecting Line and related trackage rights would allow NPBL to take a more efficient and expedient route to and from NIT. Without use of the Connecting Line, NPBL's movement to NIT must traverse a stretch of NS's

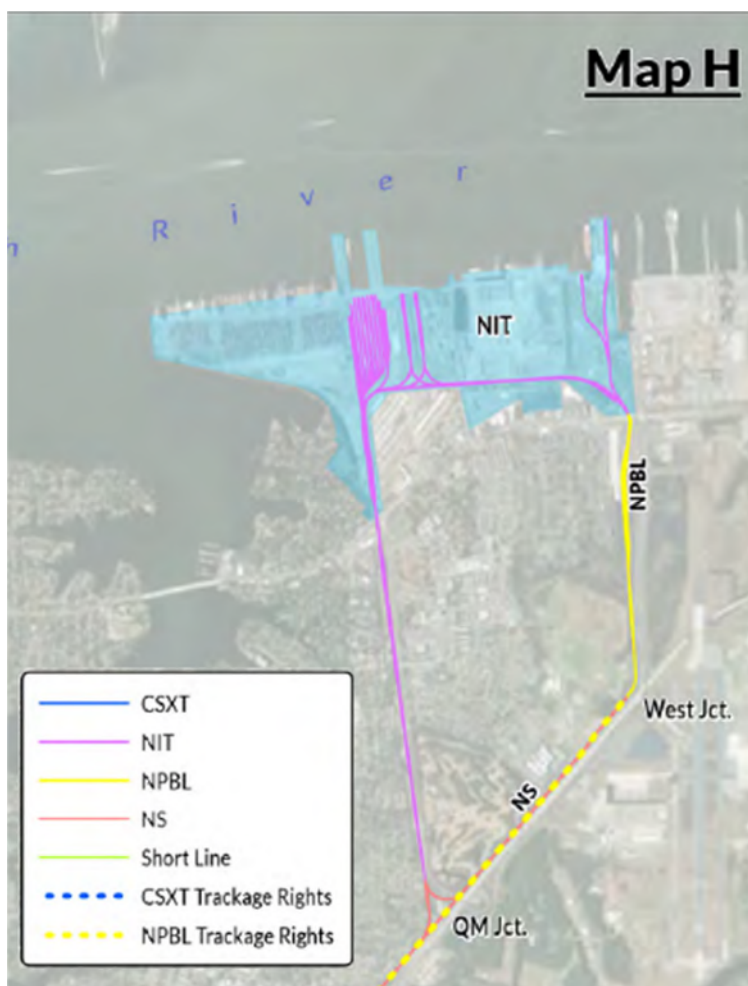
Lambert Point line, rather than just crossing it. The inability to use the Connecting Line adds delay and unpredictability to every NPBL movement to NIT.

4. NS Priority at NIT

In recent weeks, NS has prioritized its own operations at NIT over NPBL's CSXT switching service, which has precluded NPBL from operating at certain times. In the course of NS's movements at the port—including at the NIT marshalling yard—NS has blocked NPBL for extended periods, on the order of five to six hours, before NPBL can complete its moves. These blockages further delay CSXT's traffic and undermine the reliability of service to NIT.

5. Access Asymmetry at QM Junction

NPBL does not have trackage rights to all three legs of the wye at QM Junction; only NS has access to all sides. Map H (below) depicts current operations near NIT and labels QM Junction.



Map H. Current Operations Near NIT

As a result of not being able to use all three legs of the Wye at QM Junction, NPBL cannot efficiently access NIT. In contrast, NS's trains arrive and drive toward the back gate, near West Junction. The NS train is then backed into the Port at QM Junction, where there are two tracks on which NS puts away its train (vertical purple line on Map H). The NS engine then proceeds out through QM Junction and up to West Junction and the marshalling yard, where NS picks up its outbound cars. Because NPBL cannot operate over the wye at QM Junction, NPBL's trains cannot use the NIT tracks in that more efficient manner. This limitation makes CSXT's NPBL-based service materially less efficient and is another factor that limits the commercial viability of CSXT's intermodal offering.

Conclusion

CSXT is working to pursue commercially viable, scalable on-dock rail service to NIT via NPBL within the framework established in the Control Decision. CSXT has been able to commence service and appreciates the progress made to date. But the service that CSXT can offer today remains far short of an efficient intermodal operation.

No single barrier described above accounts for that shortfall. Rather, the combination of these barriers—the 5,800-foot train-length cap and related lack of headroom operating rights, the limited days of service, the circuitous route to NIT that results from the unavailability of the Connecting Line, NS's priority over NPBL operations at NIT, and the access restrictions at QM Junction—prevents CSXT from providing efficient service.⁵ The cumulative effect is significant: as a result of these combined limitations, a run from Berkley Yard to NIT that should take approximately one hour and fifteen minutes can instead take significantly longer.

CSXT is concerned that, absent further cooperation from NS and NPBL or intervention from the Board, these barriers will prevent CSXT from growing the CSXT/NPBL on-dock rail service into the efficient, commercially viable operation that the Control Decision contemplated. CSXT will continue its efforts and will continue to update the Board on its progress through its 90-day status reports. To

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the extent CSXT's experience demonstrates that the Board's conditions imposed in the Control Decision are not being implemented as required, or that the Related Proceedings should be removed from abeyance, CSXT will bring those issues to the Board's attention.

CSXT remains hopeful, however, that through continued good-faith cooperation with NS and NPBL, the parties can work through the obstacles described in this report and achieve the efficient, commercially viable on-dock rail service to NIT.

Respectfully submitted,

/s/ Peter W. Denton

Peter W. Denton

Attorney for CSX Transportation, Inc.

cc: Parties of record

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CERTIFICATE OF SERVICE

I hereby certify that I have caused this Status Report in Docket Nos. FD 36836, NOR 42183, FD 36859, AB 290 (Sub-No. 299X), and AB 1024X to be served electronically or by first class mail, postage pre-paid, on all parties of record in these proceedings.

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

October 5, 2026