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BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34418

FILED

OCT 15 2003

**SURFACE
TRANSPORTATION BOARD**

CSX TRANSPORTATION, INC.
TRACKAGE RIGHTS IN CINCINNATI, OHIO
NORFOLK SOUTHERN RAILWAY COMPANY

V E R I F I E D N O T I C E O F E X E M P T I O N

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**SURFACE
TRANSPORTATION BOARD**

Natalie S. Rosenberg
Senior Counsel
500 Water Street J150
Jacksonville, FL 32202
(904) 359-1253

Counsel for
CSX TRANSPORTATION, INC.

DATED: October 14, 2003

BEFORE THE
SURFACE TRANSPORTATION BOARD



FINANCE DOCKET NO. 34418

CSX TRANSPORTATION, INC.
TRackage RIGHTS IN CINCINNATI, OHIO
NORFOLK SOUTHERN RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION

Comes now CSX Transportation, Inc. ("CSXT"), by and through its undersigned attorney, and files this Verified Notice of Exemption for CSXT to acquire trackage rights over portions of a railroad line owned by another rail carrier. Although the acquisition of such rights may be subject to the jurisdiction of the Board pursuant to 49 U.S.C. §11323, this particular grant of rights falls within the enumerated exemptions set forth in 49 C.F.R. §1180.2(d). As such, CSXT files this Verified Notice of Exemption pursuant to the Board's regulations at 49 C.F.R. §1180.4(g).

This Verified Notice of Exemption relates to the acquisition of trackage rights by CSXT over the Norfolk Southern

Railway Company ("NS") in the Cincinnati, Ohio area between the following points:

1) Milepost CF 30.9 at Butler Street to Milepost CF 17.15 at Vaughn for a distance of 13.75 miles; and

2) Milepost BE 4.0 at Hopple Street to Milepost BE 2.7 at Mitchell Avenue for a distance of 1.3 miles; and

3) Milepost CJ 248.75 and the connection with CSXT at NA Tower/Ivorydale Junction at Milepost CJ 255.00 for a distance of 6.25 miles;

a total distance of approximately 21.3 miles (hereinafter "the line"). In accordance with the aforesaid regulations, CSXT makes the following responses:

RESPONSE TO 49 C.F.R. §1180.6(a):

1. **Transaction Summary (49 C.F.R. 1180.6(a)(1)(i))**

In the interest of economy and efficiency of operations, CSXT and NS have agreed to a directional running arrangement in the Cincinnati, Ohio area. It is the intent of CSXT and NS to route as many southbound trains as possible from Hamilton to Ivorydale Junction via NS and to route as many northbound trains as possible from Winton Place to Hamilton via CSXT. The implementation of the directional running rights necessitated the completion of various track and signal projects. Because of the investment required, CSXT and NS have been operating in accordance with the above plan on a test basis.

CSXT and NS have decided to proceed with the directional running arrangement and associated improvements. As such, NS granted CSXT the trackage rights necessary to accomplish this operating change. NS intends to utilize pre-existing trackage rights to operate over CSXT.

2. Applicant (49 C.F.R. §1180.6(a)(1)(i))

CSX Transportation, Inc.
500 Water Street
Jacksonville, Florida 32202
(904)359-3100

3. Applicant's Counsel (49 C.F.R. §1180.6(a)(1)(i))

Natalie S. Rosenberg
Senior Counsel
CSX Transportation, Inc.
500 Water Street J150
Jacksonville, FL 32202
(904)359-1253

4. Proposed Consummation Date (49 C.F.R. §1180.6(a)(1)(ii))

The proposed consummation date of this transaction is October 21, 2003.

5. Purpose of Transaction (49 C.F.R. §1180.6(a)(1)(iii))

The purpose of this transaction is to allow CSXT and NS to operate more efficiently in the Cincinnati, Ohio area.

6. List of States (49 C.F.R. §1180.6(a)(6))

CSXT has property in the states of Alabama, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky,

Louisiana, Maryland, Michigan, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia, the Province of Ontario, Canada, and the District of Columbia. In addition, CSXT operates over trackage in the States of Connecticut, Illinois, Indiana, Maryland, Massachusetts, New York, Ohio, Pennsylvania, and Virginia, as well as the Province of Quebec, Canada and the District of Columbia pursuant to an Allocated Assets Operating Agreement between New York Central Lines, LLC, a wholly owned subsidiary of Consolidated Rail Corporation, and CSXT.

7. Map (49 C.F.R. §1180.6(a)(6))

A map depicting the line is attached hereto as Exhibit A.

8. Trackage Rights Agreement (49 C.F.R. §1180.6(a)(7))

The parties have entered into a Trackage Rights Agreement, which is attached hereto as Exhibit B.

9. Caption Summary (49 C.F.R. §1180.4(g)(2))

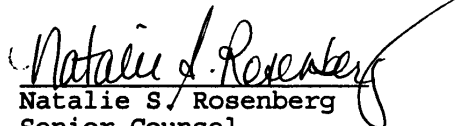
The Caption Summary is attached hereto as Exhibit C.

LABOR PROTECTION

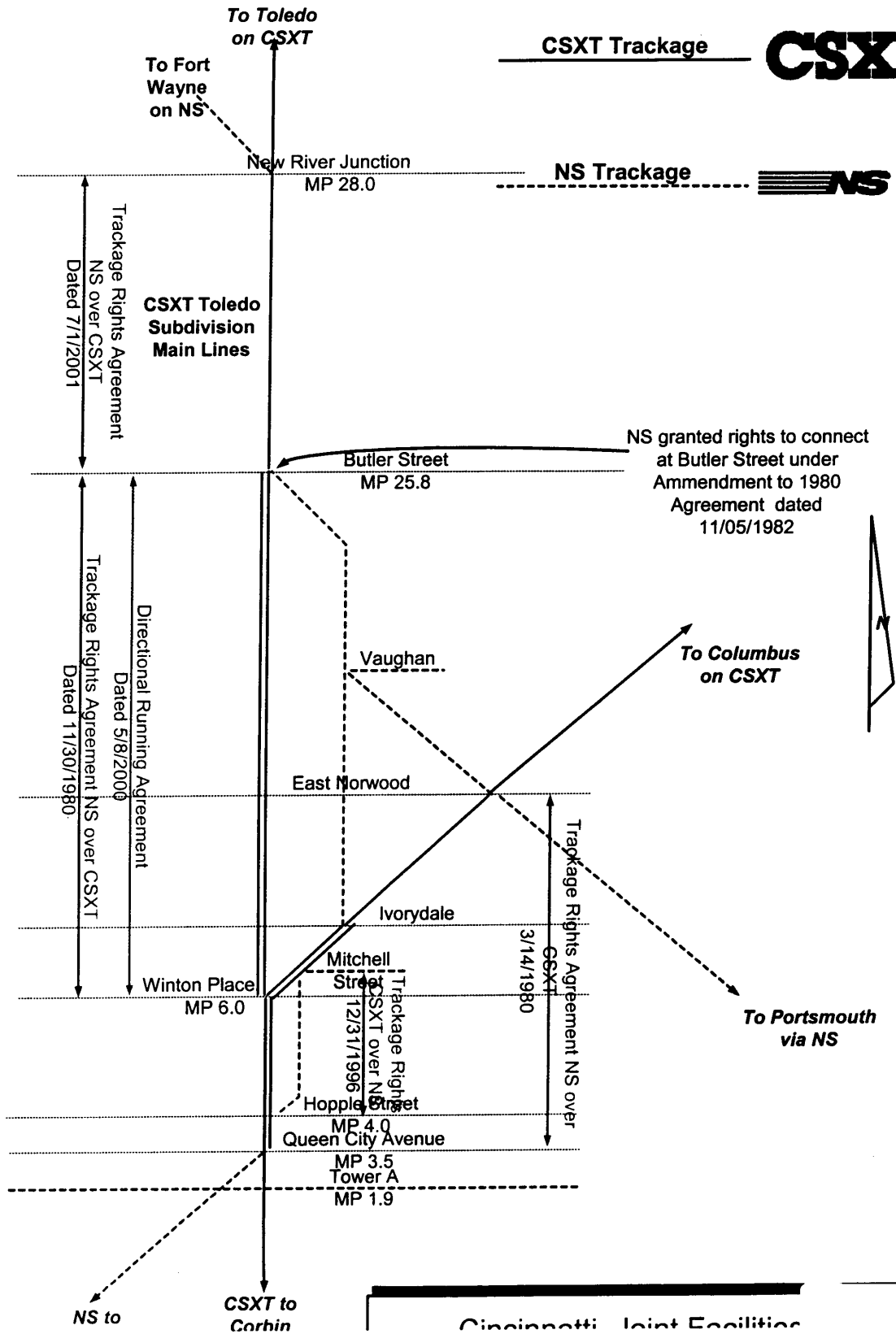
CSXT understands that, in exempting the proposed abandonment, the Board does not relieve a carrier of its

statutory obligation to protect the interests of employees. 49 C.F.R. §1180.2(d). Accordingly, CSXT anticipates that the Board will impose the conditions set forth in Norfolk and Western Ry. CO.-Trackage Rights-BN, 354 I.C.C. 605 (1978), as modified by Mendocino Coast Railway, Inc., 360 I.C.C. 653 (1980), for the benefit of any carrier employee who may be adversely affected by the proposed abandonment.

Respectfully submitted,


Natalie S. Rosenberg
Senior Counsel
CSX Transportation, Inc.
500 Water Street J150
Jacksonville, FL 32202

DATED: October 14, 2003



Reciprocal Directional Rights Agreement
Between
CSX TRANSPORTATION, INC.
And
NORFOLK SOUTHERN RAILWAY COMPANY

This AGREEMENT, entered into as of this 20th day of June, 2003, by and between CSX TRANSPORTATION, INC., a Virginia corporation, (hereinafter referred to as "CSXT") and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, (hereinafter referred to as "NSR");

WITNESSETH:

WHEREAS, In the interest of economy and efficiency of operation, the parties desire to enter into an agreement establishing a directional running arrangement for the efficient movement of the trains of both parties in the Cincinnati, OH area; and

WHEREAS, Said agreement will permit the trains of both parties to operate over lines of NSR between Hamilton, OH and Ivorydale, OH, and over lines of CSXT between Winton Place, OH and Hamilton; and

WHEREAS, NSR currently enjoys rights over CSXT between Hamilton (Butler Street) and Winton Place under the terms of Agreement of November 30, 1980, and CSXT enjoys rights over NSR in Cincinnati between Mitchell Avenue and Hopple Street under the terms of Agreement of December 31, 1996 (each of which are hereinafter referred to as the "Existing Agreements"); and

WHEREAS, The parties desire to enter into a formal agreement identifying the terms and conditions to apply to the Directional Running Rights (as hereinafter defined), and suspending the provisions of the immediately aforesaid Existing Agreements as herein provided during the term of this Agreement.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

ARTICLE 1. DIRECTIONAL RUNNING RIGHTS

- (A) Subject to the terms and conditions herein provided, CSXT recognizes, during the term of this Agreement, the right of NSR to operate its trains, locomotives, cars and equipment with its own crews in either direction, over the lines of CSXT between CSXT's Cincinnati Terminal Subdivision Milepost (MP) BE 6.7 at Winton Place, OH and CSXT's MP BE 25.8 at Butler Street (Hamilton), OH, a distance of 19.1 miles, hereinafter referred to as the "CSXT Route". The parties shall enter into an addendum to the Master Trackage Rights Agreements between the parties, governing this trackage segment and suspending the terms of the November 30, 1980 agreement.

- (B) Subject to the terms and conditions herein provided, NSR agrees to grant to CSXT by separate addenda to the Master Trackage Rights Agreements between the parties, during the term of this Agreement, the right to operate its trains, locomotives, cars and equipment with its own crews in either direction, over the lines of NSR's New Castle District between the connection with CSXT at Butler Street (Hamilton) MP CF30.9 and the connection with NSR's Cincinnati Line at Vaughn at MP CF17.15; and over NSR's Cincinnati Line between CP248 at Milepost CJ248.75 and the connection with CSXT at NA Tower (Ivorydale Junction), OH, a total distance of 20.0 miles, hereinafter referred to as the "NSR Route."
- (C) Subject to the terms and conditions herein provided, NSR recognizes, during the term of this Agreement, the right of CSXT to operate its trains, locomotives, cars and equipment with its own crews in either direction over NSR's Third Main between Hopple Street in Cincinnati at MP BE4.0 and Mitchell Avenue in Cincinnati at MP BE2.7, a distance of 1.3 miles. The parties shall enter into an addendum to the Master Trackage Rights Agreements between the parties, governing this trackage segment and suspending the terms of the December 31, 1996 agreement.
- (D) The aforesaid rights shall for the purposes of this Agreement, be known as the Directional Running Rights, and the trackage used in connection therewith known as the Directional Running Trackage.
- (E) For convenience throughout this Agreement, the terms "Owner" and "User" will be used to designate respectively, the party which is the owner of trackage being used, and the party which is using the trackage owned by the other party.

ARTICLE 2. USE OF DIRECTIONAL RUNNING RIGHTS

- (A) It is the intent of the parties to use the Directional Running Rights to the fullest extent possible - as follows: the parties shall route as many of their trains moving southward from Hamilton to Ivorydale Junction via the NSR Route as is possible on a day to day basis; and the parties shall route as many of their trains moving northward from Winton Place to Hamilton via the CSXT Route as is possible on a day to day basis.
- (B) The respective dispatchers shall work closely on an ongoing basis during the term of this Agreement to dispatch trains at mutually acceptable intervals, accommodate all movements without prejudice or partiality, make best use of available capacity, and accept opposing movements to the extent required. To the extent that either party may encounter or contemplate substantial disruption to or outage of the Directional Running Rights as herein contemplated, it shall so advise the other party promptly, and the party responsible shall make every effort to restore normal operations at the earliest possible time.

- (C) The parties acknowledge that on an ongoing basis, there will be movements between Winton Place or Ivorydale and Hamilton which for various reasons, cannot be handled under the directional running concept herein contemplated, and that such movements will require operation over the respective lines against the normal flow of traffic. When such opposing movements are identified in the respective Service Design operating plans, they will be assigned movement windows to the extent practicable, and provision made for movement within said windows in the normal course of business. Extra movements requiring opposing running and planned opposing movements falling outside of assigned windows will be accommodated to the extent practicable on a best efforts basis. In the event that additional opposing trains must be accommodated between Cincinnati and Hamilton on an ongoing basis during the term of this Agreement, the parties shall review the operating requirements associated with such additional, regular opposing movements, and shall address same with a mutually acceptable operating plan.
- (D) NSR shall, during the term hereof, minimize use of the NSR Third Main by NSR and its grantees to the extent practicable.
- (E) Except as may otherwise be provided in this Agreement, the Directional Running Rights herein granted are granted for the sole purpose of User using same for bridge traffic only between Cincinnati and Hamilton, and User shall have the right to enter on or exit from Owner's trackage only at the endpoints specified in Article 1 hereof, provided, however, that CSXT shall be authorized to enter and exit NSR's Third Main via crossover to be located as hereinafter provided at Colerain Avenue.
- (F) The parties acknowledge that CSXT has effective dispatching control of the NSR Third Main between Hopple Street and Winton Place, Cincinnati, including Colerain Avenue interlocking. CSXT will retain dispatching control of these facilities during the term of this Agreement and any renewals or extensions hereto, and the Operating Manual described in Article 6 of this Agreement shall govern all movements over NSR's Third Main.

ARTICLE 3. COMPENSATION

The parties shall be responsible to furnish each other at the close of each calendar month, with counts of cars, loaded and empty, operated by each party over the other party's route. At the conclusion of each calendar year, the total number of cars operated by each party over the other party's route in the directional running service herein contemplated shall be totaled. So long as the respective cars moved over the other party's route remains approximately equal in number, the parties shall not compensate each other for the movements herein contemplated. In the event, however, one party is found to have moved over the other party's route at least ten percent (10%) more cars than the other party moved over the first party's route in directional running service during the prior calendar year, then that party which moved the greater number of cars over the other party's route shall compensate the other party at the then existing rate per car mile as provided in the herein

referenced addenda to the Master Trackage Rights Agreements for each of the cars moved that was in excess of the other party's total. Said rate shall be known as the Current Charge, and the Current Charge shall be adjusted on the subsequent July 1 in accordance with procedures used by the parties to adjust charges applicable under Master Trackage Rights Agreements in force between the parties.

ARTICLE 4. CONSTRUCTION AND MAINTENANCE RELATED TO IMPLEMENTATION AND ONGOING OPERATION

The parties acknowledge the need for substantial track and signal construction to effectively implement and maintain the Directional Running Rights herein contemplated. Some of this construction has already been done; some remains to be done. The details of such agreed upon construction are set forth in Joint Capital Improvement Construction Agreement of June 20, 2003 between the parties ("Construction Agreement").

- (A) The parties are jointly reviewing the need for additional work required in calendar year 2003 in support of Directional Running Rights. As of the date of this Agreement, CSXT has specifically requested construction consisting of extending the CSXT Ramp Tracks into additional main running tracks between Tower A and Hopple Street, including necessary signal work at Tower A. Should the parties agree to go forward with this work, the respective Chief Engineers shall finalize the scope and estimate of this additional work to mutual satisfaction, cover same with an appropriate construction agreement, and arrange for the prompt deployment of forces and completion of work prior to December 31, 2003, if practicable. NSR at its sole cost and expense will fund the cost of this additional work.
- (B) Connections existing other than those specifically identified in this Article 4, and existing facilities which are jointly used by the parties hereto under existing agreements shall continue to be maintained, repaired and renewed by and at the expense of the party or parties responsible for such maintenance, repair and renewal under such agreements.
- (C) In the event it is jointly determined by the parties at a later date during the term of this Agreement that additional connections to the Directional Running Trackage other than those specified herein are necessary to support the movements herein contemplated, Owner or others shall furnish all labor and material and shall construct, maintain, repair and renew such portions of the track located on the right-of-way of Owner or others which connect the respective lines of the parties hereto. The cost of such additional connections shall be borne by the parties on such terms as they shall mutually agree upon by written agreement.

ARTICLE 5. ADDITIONS, RETIREMENTS AND ALTERATIONS

If either party feels that changes in or additions and betterments to any portion of the Directional Running Trackage, including changes in communication or signal facilities, are required to adequately accommodate the volume of traffic moved under the terms of this Agreement, then such party shall so notify the other party, and the parties shall promptly and jointly assess the need for and feasibility of such additions and betterments, and shall cooperate on a good faith basis to design and implement such additions and betterments to mutual satisfaction. NSR at its sole cost and expense, shall fund such agreed upon additions and betterments. Owner shall construct the additional or altered facilities.

ARTICLE 6. MANAGEMENT AND OPERATIONS

In implementing the Directional Running herein contemplated, the parties shall jointly develop a combined package of operating rules, special instructions, maps, timetable information, and other necessary information (the "Operating Manual"), and the parties in their use of the Directional Running Trackage shall comply in all respects with the safety rules, operating rules and other regulations set forth in the Operating Manual, provided, however, that CSXT's operating rules shall apply on NSR's Third Main. The movement of the parties' trains, locomotives, cars, and equipment over the Directional Running Trackage shall at all times be subject to the orders of the transportation officers of Owner. Trains of the parties shall not include locomotives, cars or equipment which exceed the width, height, weight or other restrictions or capacities of the Directional Running Trackage as published in Railway Line Clearances, and no train shall contain locomotives, cars or equipment which require speed restrictions or other movement restrictions below the maximum authorized freight speeds as provided by the Operating Manual or CSXT Operating Rules in the case of NSR's Third Main, without the prior consent of Owner or CSXT in the case of NSR's Third Main.

ARTICLE 7. DEFAULT AND TERMINATION

In the event of any substantial failure on the part of either party to perform its obligations under this Agreement and its continuance in such default for a period of sixty (60) days after written notice thereof by certified mail from the non-defaulting party, the non-defaulting party shall have the right at its option, after first giving thirty (30) days written notice thereof by certified mail, and notwithstanding any waiver by the non-defaulting party of any prior breach thereof, to terminate this Agreement and the Directional Running Rights as herein provided. The exercise of such right by the non-defaulting party shall not impair its rights under this Agreement or any cause or causes of action it may have against the defaulting party for the recovery of damages.

ARTICLE 8. REGULATORY APPROVAL

In the event it is determined that STB approval of the Directional Running Rights is required, the parties shall jointly at their respective cost and expense, initiate and thereafter diligently pursue an appropriate application or petition to secure such approval. The parties shall assist and support each other's efforts to secure any necessary STB approval of this Agreement.

ARTICLE 9. TERM AND RELATED AGREEMENTS

- (A) This Agreement shall be effective following the day and year first above written, and following any required approvals of this Agreement and/or any trackage rights agreement granting the underlying rights, and following expiration of any required labor notices by either party, and shall remain in effect for a term of ten (10) years from said effective date. In the event the parties mutually agree to extend Directional Running Rights as herein contemplated beyond the aforesaid termination date, then, in that event, the parties shall enter into a supplement to this Agreement to that effect, which supplement shall provide for continuation of this Agreement in full force and effect for a subsequent term of five (5) years.
- (B) So long as this Agreement shall remain in force, the terms of Agreement of November 30, 1980 between predecessors of the parties covering NSR trackage rights over CSXT between Winton Place and Butler Street shall be suspended and of no force and effect. Upon termination of this Agreement for any reason, the terms and provisions of said November 30, 1980 Agreement shall be considered re-activated in full. Similarly, during the term of this Agreement, the terms and provisions of Agreement of December 31, 1996 between the parties covering CSXT trackage rights over NSR's Third Main between Hopple Street and Mitchell Avenue, Cincinnati, shall be suspended and of no force and effect. Upon termination of this Agreement for any reason, the terms and provisions of said December 31, 1996 Agreement shall be considered re-activated in full. The terms and provisions of this Agreement shall in no way have a bearing on the terms of other agreements in force between the parties or their predecessors governing joint operations on any other trackage in the vicinity of Cincinnati or Hamilton or points in between. Upon termination of this agreement, the addenda to the Master Trackage Rights Agreements referenced in Article 1(B) of this Agreement shall also be considered terminated.
- (C) Except as modified by this Agreement, operation over the Directional Running Trackage shall be governed by the Master Trackage Rights Agreements and relevant addenda between the parties.
- (D) Termination of this Agreement shall not relieve or release either party hereto from any obligation assumed or from any liability which may have arisen or been incurred by either party under the terms of this Agreement prior to the termination hereof.

ARTICLE 10. ARBITRATION

Any irreconcilable dispute arising between the parties with respect to this Agreement shall be jointly submitted for binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The decision of the arbitrator shall be final and conclusive upon the parties hereto. Each party to the arbitration shall pay the compensations, costs, fees and expenses of its own witnesses, experts and counsel. The compensation, costs and expense of the arbitrator, if any, shall be borne equally by the parties hereto. The arbitrator shall not have the power to award consequential or punitive damages or to determine violations of criminal or antitrust laws. Pending the award of the arbitrator, there shall be no interruption of the Directional Running Rights as contemplated by this Agreement.

ARTICLE 11. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. Neither party hereto shall transfer or assign this Agreement, or any of its rights, interests or obligations hereunder, to any person, firm, or corporation without obtaining the prior written consent of the other party to this Agreement.

ARTICLE 12. NOTICE

Any notice required or permitted to be given by one party to the other under this Agreement shall be deemed given on the date sent by certified mail, or by such other means as the parties may agree, and shall be addressed as follows:

If to CSXT: General Manager-Intercarrier Agreements
 CSX Transportation, Inc.
 500 Water Street J801
 Jacksonville, Florida 32202

If to NSR: Vice President Transportation Operations
 Norfolk Southern Railway Company
 Three Commercial Place
 Norfolk, Virginia 23510-2191

With copy to:

Senior Director Joint Facilities
Norfolk Southern Railway Company
185 Spring Street, SW, Box 158
Atlanta, GA 30303

Either party may provide changes in the above addresses to the other party by personal service or U.S. mail.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed
as of the date first above written.

WITNESS

CSX TRANSPORTATION, INC.

Patricia Collier

By Donna L. Serwe
General Manager, Inter-carrier Agreements

WITNESS

NORFOLK SOUTHERN RAILWAY COMPANY

[Signature]

By Thelma
Vice President Transportation Operations

FORM A TRACKAGE RIGHTS ADDENDUM

To Master Trackage Rights Agreement

. Dated June 1, 2002 Between

Norfolk Southern Railway Company

And

CSX Transportation, Inc.

Covering

Trackage Rights over NSR between Hamilton and Vaughn, OH

This Form A Trackage Rights Addendum dated the 20th day of June, 2003, by and between CSX TRANSPORTATION, INC., a Virginia corporation, hereinafter referred to as "User", and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, hereinafter referred to as "Owner", constitutes an addendum to the Master Trackage Rights Agreement among the parties dated June 1, 1999 ("Master").

SECTION 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned or operated by Owner (hereinafter referred to as "Subject Trackage"):

Over NSR's New Castle District between the connection with CSXT at Butler Street (Hamilton) at Milepost (MP) CF 30.9 and the connection with NSR's Cincinnati Line at Vaughn at MP CF 17.15, a distance of 13.75 miles.

The aforesaid grant shall for the purposes of this Addendum, be considered a portion of the Reciprocal Directional Running Rights covered in Reciprocal Directional Rights Agreement of June 18, 2003 between the parties hereto, and the trackage used in connection therewith known as the Directional Running Trackage. To the extent the provisions of said Reciprocal Directional Rights Agreement may conflict with the provisions of the Master, the provisions of the Reciprocal Directional Rights Agreement shall govern.

SECTION 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic only, and User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the end points.

SECTION 3: COMPENSATION

User shall compensate Owner at a per car mile rate of twenty-five cents (\$0.25) per car mile (hereinafter referred to as the "Current Charge").

SECTION 4. TERM AND TERMINATION

- A. This Form A Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect for a term of ten (10) years from the Effective Date, or until termination of the Master, or until termination of the Reciprocal Directional Rights Agreement. In the event the parties mutually agree to extend the Reciprocal Directional Rights Agreement, the parties shall enter into a Form A Trackage Rights Addendum for the same term.
- B. Termination of this Form A Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Form A Trackage Rights Addendum prior to termination hereof.
- C. Upon termination of this Form A Trackage Rights Addendum for any reason, CSXT shall file an appropriate application to discontinue use of the Trackage Rights.

SECTION 5. SIGNATURES

The signatures below confirm the mutual agreement of Owner and User representatives to the provisions of this Form A Trackage Rights Addendum.

WITNESS:

CSX TRANSPORTATION, INC.

Patricia Calles

By: Daniella Seru
General Manager – Inter-carrier Agreements

WITNESS:

NORFOLK SOUTHERN RAILWAY
COMPANY

[Signature]

By: [Signature]
Vice President Transportation Operations

FORM A TRACKAGE RIGHTS ADDENDUM

To Master Trackage Rights Agreement
Dated June 1, 2002 Between

Norfolk Southern Railway Company

And

CSX Transportation, Inc.

Covering

Trackage Rights over CSXT between Winton Place and Hamilton, OH

This Form A Trackage Rights Addendum dated the 20th day of June, 2003, by and between CSX TRANSPORTATION, INC., a Virginia corporation, hereinafter referred to as "Owner", and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, hereinafter referred to as "User", constitutes an addendum to the Master Trackage Rights Agreement among the parties dated June 1, 2002 ("Master").

SECTION 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned or operated by Owner (hereinafter referred to as "Subject Trackage"):

Over CSXT's Cincinnati Terminal Subdivision between Milepost (MP) BE 6.7 at Winton Place, OH and MP BE 25.8 at Butler Street (Hamilton), OH, a distance of 19.1 miles.

The aforesaid grant shall for the purposes of this Addendum, be considered a portion of the Reciprocal Directional Running Rights covered in Reciprocal Directional Rights Agreement of June 18, 2003 between the parties hereto, and the trackage used in connection therewith known as the Directional Running Trackage. To the extent the provisions of said Reciprocal Directional Rights Agreement may conflict with the provisions of the Master, the provisions of the Reciprocal Directional Rights Agreement shall govern.

SECTION 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic only, and User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the end points.

SECTION 3: COMPENSATION

User shall compensate Owner at a per car mile rate of twenty-five cents (\$0.25) per car mile (hereinafter referred to as the "Current Charge").

SECTION 4. TERM AND TERMINATION

- A. This Form A Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect for a term of ten (10) years from the Effective Date, or until termination of the Master, or until termination of the Reciprocal Directional Rights Agreement. In the event the parties mutually agree to extend the Reciprocal Directional Rights Agreement, the parties shall enter into a Form A Trackage Rights Addendum for the same term.
- B. Termination of this Form A Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Form A Trackage Rights Addendum prior to termination hereof.
- C. So long as this Form A Trackage Rights Addendum shall remain in force, the terms of Agreement of November 30, 1980 between predecessors of the parties covering NSR trackage rights over CSXT between Winton Place and Butler Street shall be suspended and of no force and effect. Upon termination of this Form A Trackage Rights Addendum for any reason, the terms and provisions of said November 30, 1980 agreement shall be considered re-activated in full.

SECTION 5. SIGNATURES

The signatures below confirm the mutual agreement of Owner and User.
representatives to the provisions of this Form A Trackage Rights Addendum.

WITNESS:

CSX TRANSPORTATION, INC.

Patricia Collier

By: Sherrita Serwe
General Manager -- Inter-carrier Agreements

WITNESS:

NORFOLK SOUTHERN RAILWAY
COMPANY

[Signature]

By: [Signature]
Vice President Transportation Operations

FORM A TRACKAGE RIGHTS ADDENDUM

To Master Trackage Rights Agreement

Dated June 1, 2002 Between

Norfolk Southern Railway Company

And

CSX Transportation, Inc.

Covering

Trackage Rights over NSR's Third Main in Cincinnati, OH

This Form A Trackage Rights Addendum dated the 20th day of June, 2003, by and between CSX TRANSPORTATION, INC., a Virginia corporation, hereinafter referred to as "User", and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, hereinafter referred to as "Owner", constitutes an addendum to the Master Trackage Rights Agreement among the parties dated June 1, 2002 ("Master").

SECTION 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned or operated by Owner (hereinafter referred to as "Subject Trackage"):

Over NSR's "Third Main between Hopple Street in Cincinnati, OH at Milepost (MP) BE 4.0 and Mitchell Avenue in Cincinnati at MP BE 2.7, a distance of 1.3 miles.

The aforesaid grant shall for the purposes of this Addendum, be considered a portion of the Reciprocal Directional Running Rights covered in Reciprocal Directional Rights Agreement of June 18, 2003 between the parties hereto, and the trackage used in connection therewith known as the Directional Running Trackage. To the extent the provisions of said Reciprocal Directional Rights Agreement may conflict with the provisions of the Master, the provisions of the Reciprocal Directional Rights Agreement shall govern.

SECTION 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic only, and User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the end points.

SECTION 3: COMPENSATION

User shall compensate Owner at a rate of twenty-five cents (\$0.25) per car mile (hereinafter referred to as the "Current Charge").

SECTION 4. TERM AND TERMINATION

- A. This Form A Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect for a term of ten (10) years from the Effective Date, or until termination of the Master, or until termination of the Reciprocal Directional Rights Agreement. In the event the parties mutually agree to extend the Reciprocal Directional Rights Agreement, the parties shall enter into a Form A Trackage Rights Addendum for the same term.
- B. Termination of this Form A Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Form A Trackage Rights Addendum prior to termination hereof.
- C. So long as this Form A Trackage Rights Addendum shall remain in force, the terms of Agreement of December 31, 1996 between the parties covering CSXT's trackage rights over NSR's Third Main shall be suspended and of no force and effect. Upon termination of this Form A Trackage Rights Addendum for any reason, the terms and provisions of said December 31, 1996 agreement shall be considered re-activated in full.

SECTION 5. SIGNATURES

The signatures below confirm the mutual agreement of Owner and User representatives to the provisions of this Form A Trackage Rights Addendum.

WITNESS:

CSX TRANSPORTATION, INC.

Patricia Celli

By: Donna Serwe
General Manager – Inter-carrier Agreements

WITNESS:

NORFOLK SOUTHERN RAILWAY
COMPANY

[Signature]

By: [Signature]
Vice President Transportation Operations

FORM A TRACKAGE RIGHTS ADDENDUM

To Master Trackage Rights Agreement
Dated June 1, 1999 Between

Pennsylvania Lines LLC
Norfolk Southern Railway Company
New York Central Lines LLC

And

CSX Transportation, Inc.

Covering

Trackage Rights over PRR between Vaughn and NA Tower, OH

This Form A Trackage Rights Addendum dated the 20th day of June, 2003, by and between NEW YORK CENTRAL LINES LLC, a Delaware limited liability company (hereinafter referred to as "NYC"); CSX TRANSPORTATION, INC., a Virginia corporation, (hereinafter referred to as "CSXT"); PENNSYLVANIA LINES LLC, a Delaware limited liability company (hereinafter referred to as "PRR"); and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, hereinafter referred to as "NSR", constitutes an addendum to the Master Trackage Rights Agreement among the parties dated June 1, 1999 ("Master").

SECTION 1: DESCRIPTION

PRR, as owner, and NSR, as operator, hereby grant to CSXT, subject to the terms of the Master Trackage Rights Agreement, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned by PRR and operated by NSR (hereinafter referred to as "Subject Trackage"):

Over the Cincinnati Line owned by PRR and operated by NSR between CP248 at Milepost (MP) CJ 248.75 and the connection with CSXT at NA Tower (Ivorydale Junction), OH at MP CJ 255.00, a distance of 6.25 miles.

The aforesaid grant shall for the purposes of this Addendum, be considered a portion of the Reciprocal Directional Running Rights covered in Reciprocal Directional Rights Agreement of June 18, 2003 between the parties hereto, and the trackage used in connection therewith known as the Directional Running Trackage. To the extent the

provisions of said Reciprocal Directional Rights Agreement may conflict with the provisions of the Master, the provisions of the Reciprocal Directional Rights Agreement shall govern.

SECTION 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic only, and User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the end points.

SECTION 3: COMPENSATION

- A. The factor to be used in calculating payments to be made by CSXT for the Trackage Rights governed by this Addendum shall be twenty-five cents (\$0.25) per car mile (hereinafter referred to as the "Current Charge".)
- B. CSXT will pay NSR a sum computed by multiplying (i) the Current Charge, as may be revised in Section 4 of this Addendum by (ii) the number of cars (loaded and empty), locomotive and caboose units moved by CSXT with its own crews and power over the Subject Trackage by (iii) the miles of Subject Trackage used. Each locomotive unit and caboose, for the purpose of this Addendum, shall be counted as one (1) car. With respect to articulated units, the number of cars shall be determined by the AAR Car Type code as defined in the UMLER Specification Manual. The second numeric in the Car Type Code field covering codes "Q" and "S" will be the factor in determining the car count for an articulated unit. For example, AAR Car Type code "S566" would equate to a five (5) car count as these type cars have five (5) wells capable of handling forty foot (40') to fifty foot (50') containers in each well. A single unit of RoadRailer® equipment (or comparable bimodal freight hauling equipment in either NSR's or CSXT's account) shall count as one-half (1/2) of a car.
- C. NSR shall on or about the fifteenth (15th) day of each month render billing to CSXT for CSXT's previous month's use of the Subject Trackage computed in accordance with the terms and conditions of this Addendum.

SECTION 4. REVISION OF CURRENT CHARGE

- A. The Current Charge shall be subject to change to reflect any increases or decreases in labor, material and other costs as hereinafter provided.
- B. The Current Charge shall be revised upward or downward each year, beginning with the bill rendered for the month of July first following the "Effective Date" of this

Addendum, to compensate for the increase or decrease in the cost of labor and material, excluding fuel, as reflected in the annual Indexes of Charge-Out Prices and Wage Rates (1977=100), included in "AAR Railroad Cost Indexes" and supplements thereto, issued by the Association of American Railroads ("AAR"). In making such determination, the Final "Material prices, wage rates and supplements combined (excluding fuel)" indexes for the East District shall be used. The Current Charge shall be revised by calculating the percentage of increase or decrease in the index for the latest calendar year as related to the index for the previous calendar year and applying that percentage to the Current Charge.

- C. In the event the base for the Annual Indexes of Charge-Out Prices and Wage Rates issued by the AAR shall be changed from the year 1977, appropriate revision shall be made. If the AAR or any successor organization discontinues publication of the Annual Indexes of Charge-Out Prices and Wage Rates, an appropriate substitute for determining the percentage of increase or decrease shall be negotiated by the parties hereto. In the absence of agreement, the parties shall submit the matter to binding arbitration under the terms of Article 16 of the Master Trackage Rights Agreement.

SECTION 5. TERM AND TERMINATION

- A. This Form A Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect for a term of ten (10) years from the Effective Date, or until termination of the Master Trackage Rights Agreement, or until termination of the Reciprocal Directional Rights Agreement, or until termination of the NSR Operating Agreement. In the event the parties mutually agree to extend the Reciprocal Directional Rights Agreement, the parties shall enter into a Form A Trackage Rights Addendum for the same term.
- B. Termination of this Form A Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Form A Trackage Rights Addendum prior to termination hereof.
- C. Upon termination of this Form A Trackage Rights Addendum for any reason, CSXT shall file an appropriate application to discontinue use of the Trackage Rights.

SECTION 6. SIGNATURES

The signatures below confirm the mutual agreement of the parties to the provisions of this Form A Trackage Rights Addendum.

WITNESS:

NEW YORK CENTRAL LINES LLC

Patricia Callan

By:
Title:

Christina Serwe
General Manager

WITNESS:

CSX TRANSPORTATION, INC.

Patricia Callan

By:

Christina Serwe
General Manager - Inter-carrier Agreements

WITNESS:

PENNSYLVANIA LINES LLC

[Signature]

By:

Thelma
Title: VP Transportation Ops

WITNESS:

NORFOLK SOUTHERN RAILWAY
COMPANY

[Signature]

By:

Thelma
Vice President Transportation Operations

EXHIBIT C

CAPTION SUMMARY

Finance Docket No. 34418
CSX TRANSPORTATION, INC.
-- TRACKAGE RIGHTS--
NORFOLK SOUTHERN RAILWAY COMPANY

Norfolk Southern Railway Company has agreed to grant CSX Transportation, Inc. trackage rights between the following points:

1) Milepost CF 30.9 at Butler Street to Milepost CF 17.15 at Vaughn for a distance of 13.75 miles; and

2) Milepost BE 4.0 at Hopple Street to Milepost BE 2.7 at Mitchell Avenue for a total distance of 1.3 miles; and

3) Milepost CJ 248.75 and the connection with CSXT at NA Tower/Ivorydale Junction at Milepost CJ 255.00 for a distance of 6.25 miles;

a total distance of approximately 21.3 miles (hereinafter "the line"). The trackage rights will be effective on October 21, 2003.

This notice is filed under Section 1180.2(d)(7). Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not stay the transaction.

Dated:

By the Board.

Vernon A. Williams,

Secretary

rosenberg\stb-trackage rights\ohio\cincinnati\notice of exemption.03.10.14

VERIFICATION

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

Marietta Serwe, being duly sworn, deposes and says that she is General Manager, Inter-carrier Agreements, of CSX Transportation, Inc., and that she has read the foregoing, knows the contents thereof, and that the same are true as stated to the best of her knowledge, information and belief.


MARIETTA SERWE

Subscribed and sworn to
Before me this 14th day
Of October, 2003


Notary Public

My Commission Expires:

