



MD Freight Summit

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Demand for freight is growing

- Current predictions from US DOT, AASHTO, CBO, and others are estimating a 67% growth in freight traffic by 2020.
- The nation's already strained freight transportation infrastructure will be even more challenged.

Is the country ready for this challenge?

- Ports on the West Coast are congested
- Highways are already congested

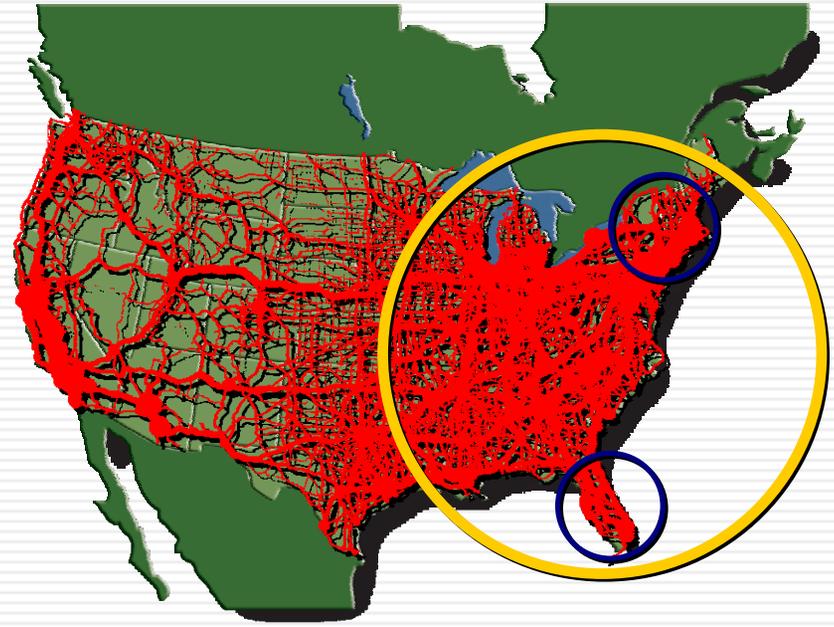
“Tsunami of Freight”

Congestion is getting worse

Today



2020



CSX Territory

Truck Volume Scale



Source: USDOT FHWA Freight Analysis Framework

Investment in freight rail/CSX can help

- Mid Atlantic ports are receiving more freight.
 - Poised to receive increasingly more
- Freight rail/CSX can help Mid Atlantic ports grow and compete in a global economy.
- Rail is the safest, most environmentally friendly means of transporting goods over land by far.
- Freight rail provides relief to overcrowded highways.
 - one train can carry the load of more than 280 trucks, freeing room for approximately 1100 cars.

How CSX/freight rail can help



CSX can provide competitive, efficient routes to the Midwest from Mid Atlantic ports on double-stack intermodal trains

Time to act

- Clearing routes for double-stack intermodal trains will greatly benefit the public and the flow of both international and domestic freight.
- Double-stack cleared routes on CSX's network will benefit:
 - Mid Atlantic Ports
 - Inland "Ports"
 - Highways
 - Regional transit systems
 - Environment

CSX is committed to meeting nation's freight needs

- CSX already invests heavily in its network and provides the nation with a strong freight transportation option.
- CSX is investing more than \$6 billion between now and 2010 in core capital investments to accelerate improvements in the safety, service reliability and capacity of its transportation infrastructure.
 - Approximately \$1.5 billion in 2007
 - Approximately \$1.6 billion in both 2008 and 2009
 - Approximately \$1.7 billion in 2010

Freight rail is a capital intensive industry

- CSX currently spends approximately 15% percent of its revenues on maintaining and expanding its railroad to meet the needs of the American public.
- CSX spends four to five times more on capital as a percentage of revenues than the average American manufacturing company

The freight rail industry cannot do it alone

- CSX's infrastructure, while privately funded, is publicly essential. CSX welcomes the opportunity to partner with the public sector under circumstances where mutual gains can be achieved.
 - Central Florida Agreement
 - New England Partnership
 - I 95 Corridors of the Future
 - The National Gateway

- The nation will rely more and more on trains as populations and consumption increase.

- The American Association of State Highway and Transportation Officials predicts that railroads will need to invest \$175 billion to \$190 billion to keep up with demand in the next 20 years.