

*How tomorrow moves*



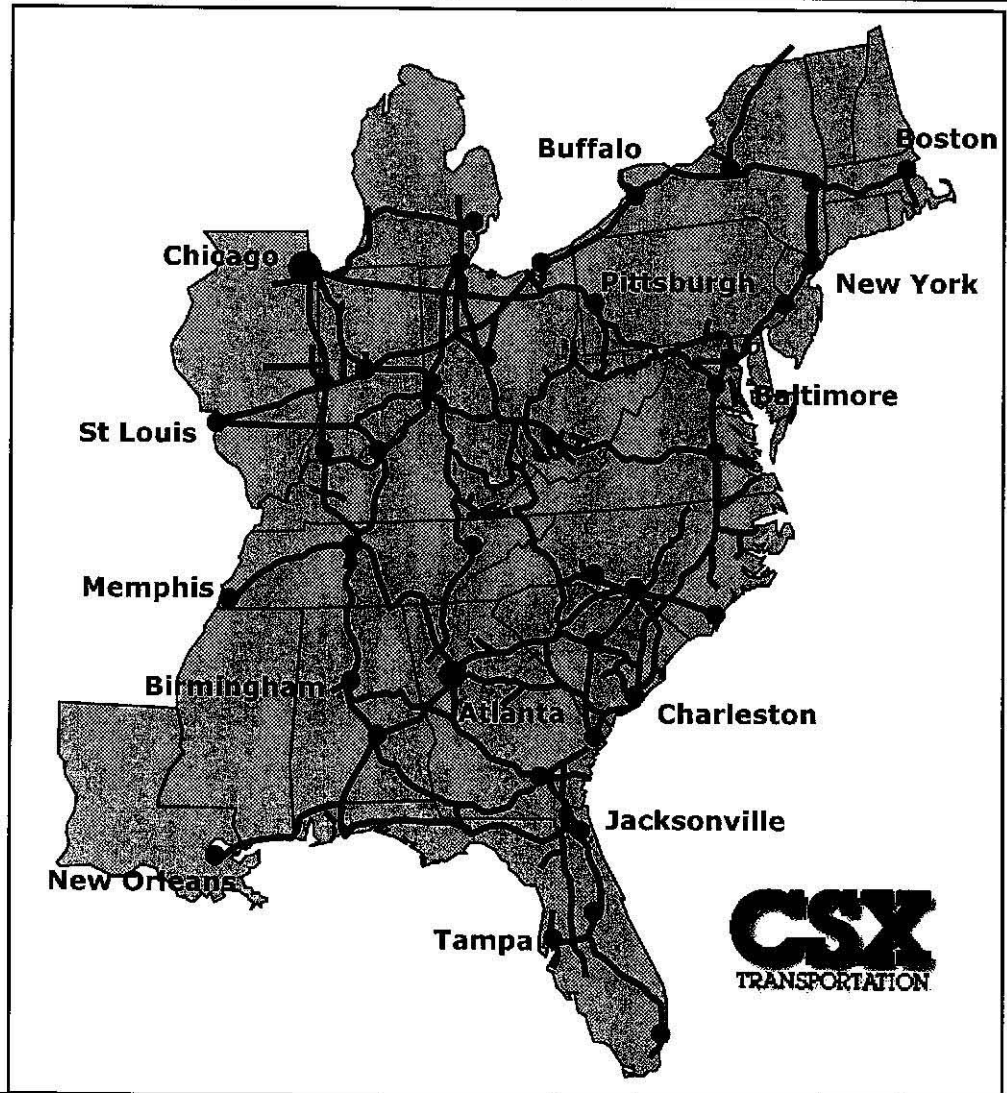
*The National Gateway  
Pennsylvania House of Representatives  
Committee on Transportation*

March 3, 2010

# *CSX connects the nation and the globe*

## **CSX includes:**

- 30,000 employees
- 21,000 route miles
- 1,200+ trains/day
- 5 million+ carloads
- 3,500+ locomotives
- 80,000+ freight cars
- Serves 70 ocean, lake and river ports



How tomorrow moves



## *CSX in Pennsylvania*

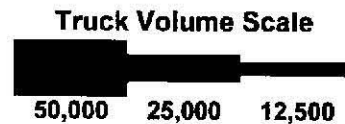
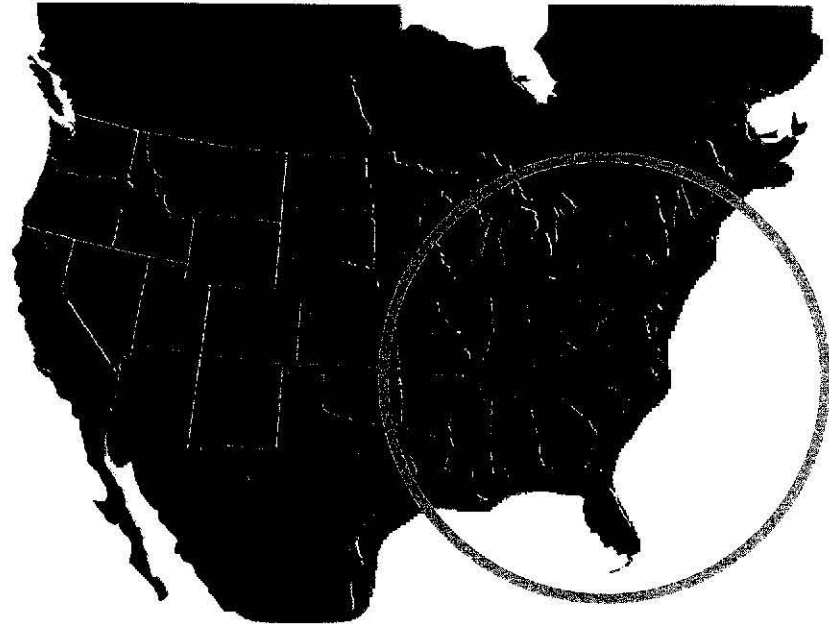
- CSX employs more than 800 PA residents with an annual payroll of approximately \$60 million in 2009
- CSX operates over and maintains 2,000 miles of track in PA
- In 2009, CSX invested more than \$50 million in the network in PA
- Major PA Yards/Facilities:
  - Greenwich Yard (Philadelphia)
  - Philadelphia and Chambersburg Intermodal Facilities
  - Automotive Distribution Center in Aston (Twin Oaks)
  - TRANSFLO Facilities – Butler, Chester, Philadelphia (2) and Pittsburgh

# Transportation demand is on the rise and congestion is getting worse

Today



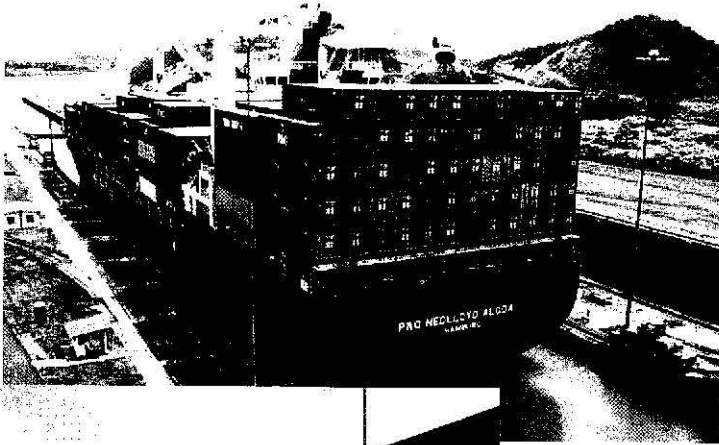
2020



CSX Territory

Source: USDOT FHWA Freight Analysis Framework

# CSX is working to meet these challenges



- Increased need for supply chain flexibility
  - Shifting global supply chains
  - Globalization, Panama Canal expansion favor diversification to East Coast ports
- Intermodal freight transport increasingly critical to meeting nation's transportation needs
  - Combined efficiency of freight rail and flexibility of highway transportation

# National Gateway overview



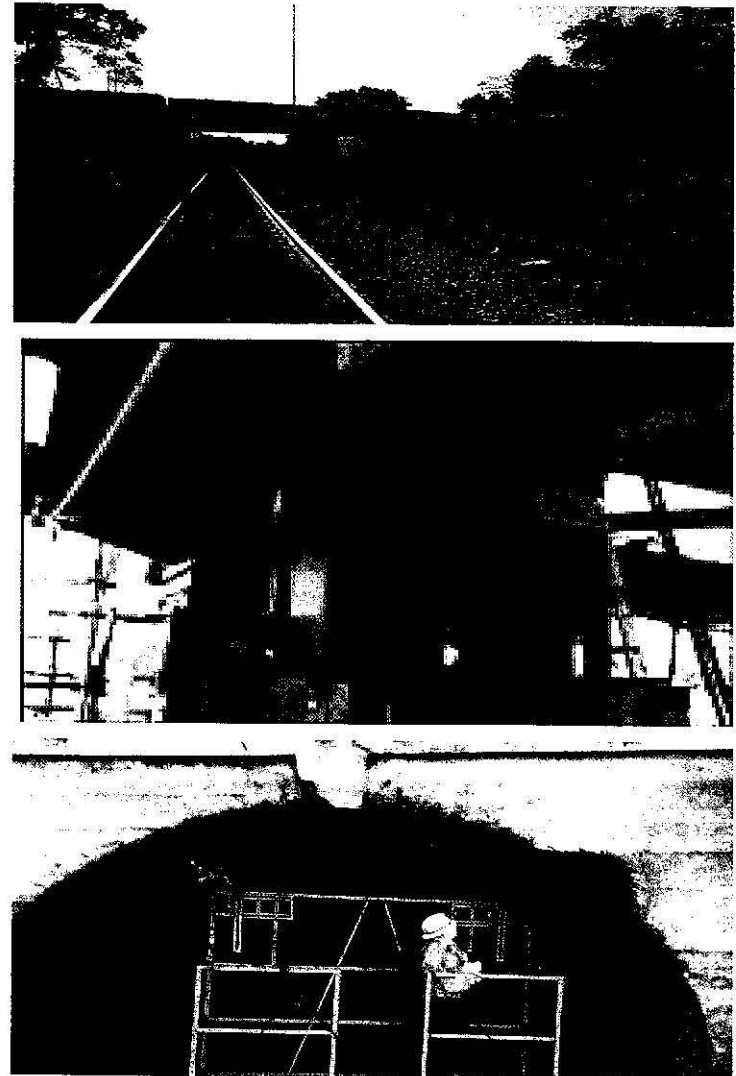
## ■ Project overview

- \$842 million in investments
- 61 double stack clearance projects
- Construction or expansion of 6 intermodal terminals

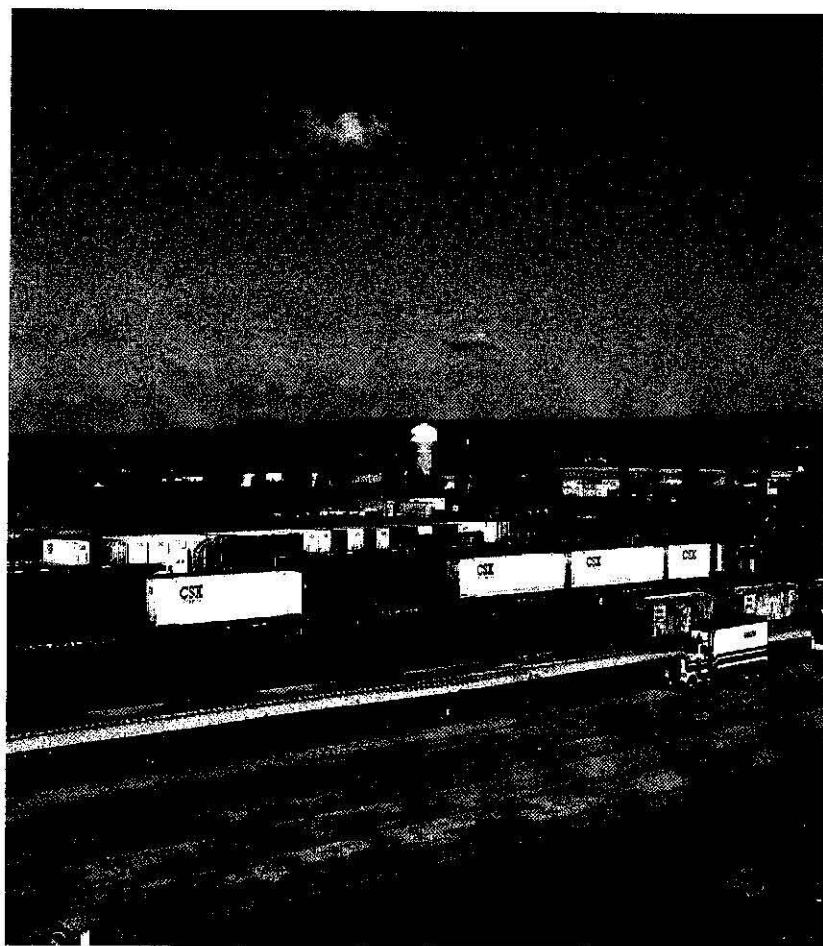
- National Gateway Project
- Existing Doublestack Clearance Routes
- - - Construction In Progress
- Howard Street Tunnel

## *Clearance and infrastructure work needed*

- Construction work varies from minor modifications to complete reconstruction of bridges, tunnels and other infrastructure
- 61 clearance projects in 6 states and the District of Columbia to achieve 20'2" clearance
  - 17 clearance projects in Pennsylvania



# Pennsylvania terminals

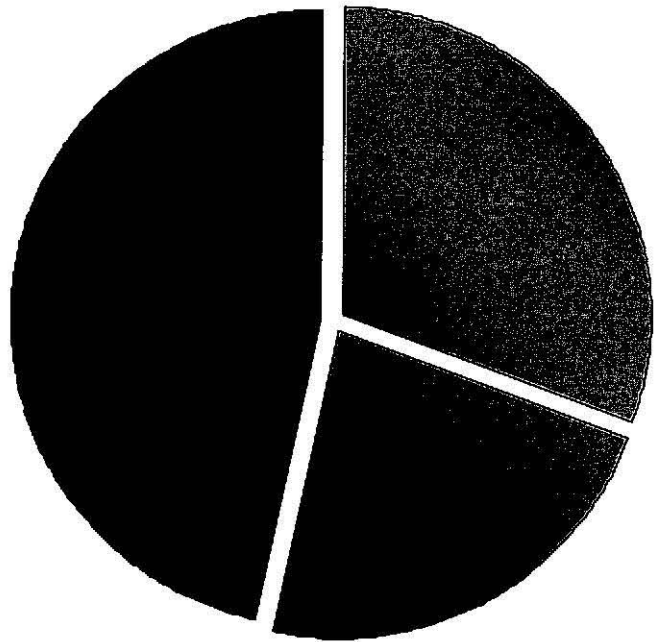


\*2006 HDR/HLB Decision Economics, Inc.

- Chambersburg
  - Began operating in Fall 2008
  - Cost of \$48M
  - Provides 2500 direct & indirect jobs in Central PA over 10 years\*
- Pittsburgh
  - Site search underway



## National Gateway costs and funding



■ Federal   ■ State   ■ CSX

Federal = \$258 Million

State = \$189 Million

CSX = \$395 Million

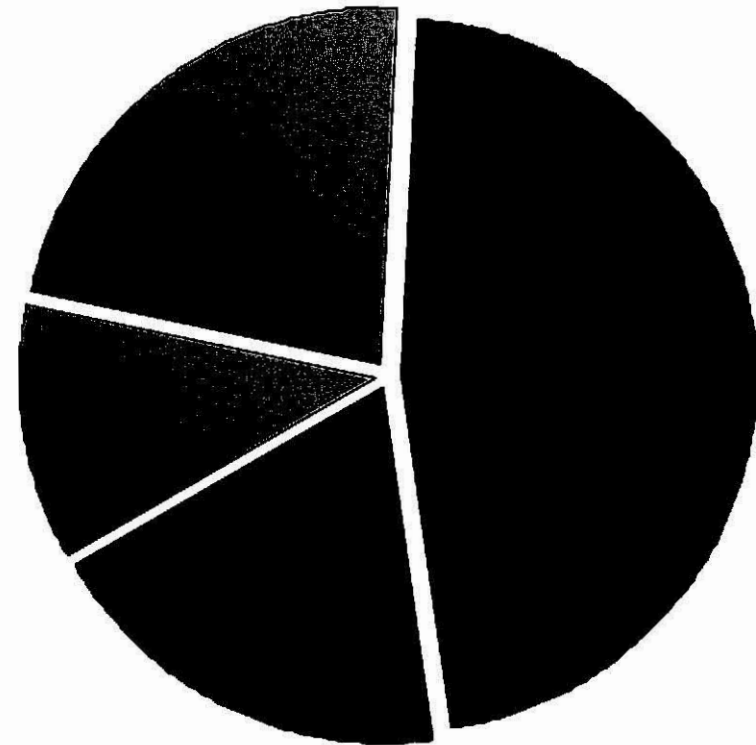
---

Total = \$842 Million

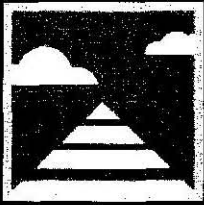
***\$22 in public benefits for every  
\$1 of public funds invested\****

## National Gateway funding secured

- \$98 million awarded from USDOT TIGER program
- \$191 million in state funding
- \$395 million in funding from CSX
- Continuing to pursue additional federal funding sources for the remaining \$160 million



■ Federal ■ State ■ CSX ■ Remaining



*National Gateway provides solutions to our nation's challenges, over \$10 billion in public benefits\**

- **Stimulates the economy**
  - Over 30 years, expected to create more than 50,000 jobs, including more than 25,000 jobs in 14 economically distressed areas
- **Improves U.S Competitiveness**
  - Triples the market access potential for the Ports of Baltimore, Hampton Roads and Wilmington while improving western connections over Chicago.
- **Provides a Sustainable Transportation Solution**
  - Reduces emissions – estimated 20 million tons of CO<sub>2</sub> eliminated
  - Assists states in attainment of federal clean air standards
- **Reduces Consumption of Oil**
  - Contributes to U.S. energy security by saving 2 billion gallons of diesel fuel

# *The National Gateway is good for Pennsylvania*

- **Over \$1.7 billion in benefits to Pennsylvania\***
  - **Job Creation:** The National Gateway creates nearly 10,000 jobs
  - **Reduces congestion:** The National Gateway removes nearly 2,500,000 trucks from Pennsylvania highways
  - **Reduces greenhouse gas emissions:** The National Gateway reduces CO<sub>2</sub> emissions in Pennsylvania by over 2.7 million tons
  - **Reduces highway maintenance costs and improves safety:** The National Gateway saves over \$90 million in highway maintenance costs for Pennsylvania
  - **Reduces overall freight shipping costs:** The National Gateway saves nearly \$500 million in logistics costs



Growing list of supporters – [www.nationalgateway.org](http://www.nationalgateway.org)



**PACER**  
RAIL



**OOCL**  
We take it personally

**SCHNEIDER**  
NATIONAL



Hapag-Lloyd



**BIG LOTS!**

**Sears**

Limited brands



Moving Business Forward

**K**  
kmart

**PACER STACKTRAIN**



**YANG MING**



Making a splash close to home  
**Jones Falls Watershed**  
ASSOCIATION

alleghenyconference  
ON COMMUNITY DEVELOPMENT  
pittsburgh regional alliance  
greater pittsburgh  
chamber of commerce

**TTX**  
FORWARD THINKING.



Greater Findlay Inc.



**EVERGREEN**  
WORLD-WIDE FULL CONTAINER SERVICE



**PRS**  
Pacific Rail Services



**OKI**

Ohio - Kentucky - Indiana  
Regional Council of Governments

**SEARS HOLDINGS**

**MOSSER**  
CONSTRUCTION, INC.  
Construction Excellence since 1948

Regional Growth Partnership  
BUILDING A HIGH-TECH, HIGH-PERFORMANCE ECONOMY



Wood County  
Economic Development  
Commission

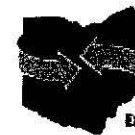


GREATER CHAMBERSBURG  
CHAMBER OF COMMERCE

**OHIO**  
CHAMBER  
OF COMMERCE  
LIVING BUSINESS IMPROVING LIFE

**MI-JACK**  
PRODUCTS

BUTLER COUNTY  
PORT AUTHORITY



**OHIO**  
LOGISTICS  
EXCEEDING YOUR EXPECTATIONS  
www.ohiologistics.com

**SOY OHIO**

Ohio Soybean Council

How tomorrow moves



# *Appendix*

# Summary of Pennsylvania obstructions

#	State	Project Name	Description	City, County	Cost
1	Pennsylvania	Overhead Walkway	Replace Bridge	Corapolis	\$852,162
2	Pennsylvania	Ohio Central RR	Lower Track	McKees Rocks	\$2,751,940
3	Pennsylvania	Chartiers Creek	Bridge Modification	Pittsburgh	\$115,247
4	Pennsylvania	Smithfield Street	Lower Track	Pittsburgh	\$3,006,596
5	Pennsylvania	West End of J&L Tunnel	Remove Bridge Superstructure	Pittsburgh	\$190,869
6	Pennsylvania	J&L Tunnel	Raise/Replace Tunnel Roof Slab	Pittsburgh	\$27,589,386
7	Pennsylvania	East End of J&L Tunnel	Remove Portions of Existing Bridge	Pittsburgh	\$466,579
8	Pennsylvania	Walnut Street	Lower Track	McKeesport	\$865,813
9	Pennsylvania	Benford Tunnel	Open-Cutting of Tunnel	Confluence	\$1,099,278
10	Pennsylvania	Brook Tunnel	Total Arch Liner Replacement	Confluence	\$9,621,460

How tomorrow moves



## Summary of Pennsylvania obstructions (cont'd)

#	State	Project Name	Description	City, County	Cost
1	Pennsylvania	Shoo Fly Tunnel	Open-Cutting of Tunnel	Confluence	\$1,099,278
2	Pennsylvania	Pinkerton Tunnel	Total Arch Liner Replacement	Pinkerton	\$6,082,532
3	Pennsylvania	Church Street	Replace Bridge	Garrett	\$4,969,791
4	Pennsylvania	Blue Lick Truss	Raise Bridge Superstructure	Sand Patch	\$328,598
5	Pennsylvania	Sand Patch Tunnel	Linear Notching/Portal Caps	Sand Patch	\$5,469,385
6	Pennsylvania	Falls Cut Tunnel	Total Arch Liner Replacement	Fairhope	\$5,422,670
7	Pennsylvania	Railroad Bridge	Bridge Modification	Hyndman	\$89,804