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James A. Squires
Chairman President and
Chief Executive Officer

May 13, 2020

The Honorable Ann D. Begeman Chairman Surface Transportation Board 395 E Street, SW Washington, DC 20423-0001

## Dear Chairman Begeman:

Thank you for your letter of May 7 and for your comments regarding the rail industry's responsiveness to the challenges presented by the COVID-19 pandemic. Norfolk Southern's employees have performed their critical role in supporting the nation's economy and our customers' supply chains with the highest levels of commitment and pride, and they have been delivering throughout this challenging period.

As you know, Norfolk Southern has taken broad-based and comprehensive actions to protect its employees. We acted in early March to transition most office-based employees to remote work and enhance physical distancing for those that must work on-site, such as field employees, dispatchers and car reporters. In the field, physical distancing is encouraged in everything from job briefings and other activities to the expanded use of quick tie-ups. We have provided extensive supplies to support enhanced cleaning and the safety of employees, including ordering more than 30,000 gallons of hand sanitizer, with more than 15,000 gallons already delivered across our network in half gallon dispensers. We also proactively obtained more than 11,000 gallons of spray disinfectant to ensure we have ample supplies and have implemented enhanced cleaning procedures in accordance with CDC guidelines across our operation (including revised procedures for the cleaning of locomotive cabs). Local managers and employees around our system have worked with area suppliers to supplement central orders and meet needs (including innovative strategies like working with local distilleries for sanitizer). In addition to permitting the use of homemade facial coverings on our property, we have ordered more than 135,000 facial coverings/masks and delivered both washable and non-washable facial coverings/masks to employees across the system. We also have been auditing ourselves to ensure we are meeting our own standards, and have distributed a hotline number so that any employee can report on local issues.

As a result of these and other steps that we have taken, Norfolk Southern's dispatchers, crew bases, and other operating personnel remain healthy and right-sized to handle the current business levels while producing record train speed, record terminal dwell, and record service levels for our customers. Norfolk Southern has been able to achieve these records through the execution of our TOP21 operating plan.

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We believe Norfolk Southern is well-positioned to respond to an upturn in the economy and to resume freight volume growth. We currently have 1460 furloughed train and engine employees, and an additional 246 trainees whose training has been suspended and can resume when business returns. Included in these numbers are employees who would support increased yard activity if necessary. We also have approximately 1000 maintenance employees of various crafts who have been furloughed. With regard to equipment resources, we have over 400 stored locomotives and 35,000 stored railcars, which can be deployed as needed. In addition, we have capacity with our existing trains, local service crews, and yard crews to handle additional volumes.

Norfolk Southern continues to communicate regularly with our customers on the current state of their operations and anticipated return of their business. The timing of our customers' re-opening and of their anticipated business levels is information that must come from them and that information remains fluid. These inputs from customers are critical to our Network Planning & Optimization group, which uses this information as well as other key network metrics to adjust our operating plan.

Per your request, Norfolk Southern will agree to voluntarily report quarterly demurrage and accessorial revenue for 2020 as it has done for 2018 and 2019. Jason Zampi recently provided you the report for the first quarter of this year, and you may expect to receive additional reports from him by the end of the month following the close of future quarters.

Thank you again for your recognition of the rail industry's efforts during the pandemic response. Norfolk Southern is pleased to deliver high quality service to its customers while protecting its employees during this challenging time, and we will remain focused on those critically important objectives as our nation turns to recovery.

Very truly yours,