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May 20, 2020

The Honorable Ann D. Begeman, Chairman
United States Surface Transportation Board
395 E Street, S.W.
Washington D.C. 20423

Dear Ann,

Thank you for your letter recognizing the efforts of CSX and the freight rail industry during this unprecedented time.

CSX is constantly working to minimize impacts to employees and our customers. Early on, we established a cross-functional pandemic response task force to coordinate short-, medium- and long-term response and planning activities related to personnel, equipment and facilities. As a result of our employees' efforts and CSX's proactive measures, our operations are running safely and smoothly and are in a position to support our customers with responsive and reliable service as their volumes return.

CSX COVID-19 Communications Summary

Communication with our customers has been a centerpiece of CSX's pandemic response. Since early March, we have provided updates on measures taken by CSX to ensure crew availability, maintain service levels and respond quickly to shifting demand and traffic flows. In addition, our close coordination with customers has allowed us to adapt to their plans to close facilities or modify operations. This has allowed us to adjust our service as needed and ensure network efficiency for all customers.

Sales & Marketing, Customer Solutions, and local operations personnel have been fully engaged and accessible to customers as we work to find solutions in this dynamic environment. In addition to person-to-person dialogue, electronic messages have been distributed via email and posted to our ShipCSX online tracking portal, which provides visibility of on-time arrivals for each carload and container via the Trip Plan Performance tool.

Employees

As freight volumes have significantly declined, CSX has reduced our workforce. Working with our labor organization partners, we have done so in a manner that keeps train and engine, yard and maintenance employees available to meet future demand.

CSX and SMART-TD developed furlough mitigation programs that offer voluntary leaves of absence and temporary part-time assignments to our trainmen. These programs allow employees who might otherwise be furloughed to continue health and welfare benefits and remain available for prompt recall to full-time work. As of May 11, the majority of employees impacted by workforce reductions have elected to participate in these voluntary programs.

Mechanical employees furloughed due to reductions in our locomotive and railcar fleet can be recalled in short order as those assets return to the network.

Although CSX has had some reductions among signalmen, the maintenance of way workforce has been largely unaffected and, in fact, the CSX engineering team has taken advantage of enhanced work windows to perform additional infrastructure maintenance while volumes are low.

Equipment

With regard to equipment resources, CSX is similarly well-prepared. Approximately 20% of our current locomotive fleet has been stored in a serviceable status and can be returned to active service quickly. As demand increases we will bring these locomotives online first and then backfill the fleet with other stored engines as needed.

Active cars online have decreased by approximately 17% since the onset of the pandemic. Many of these cars have been strategically located across our system and can be returned to service quickly as demand dictates.

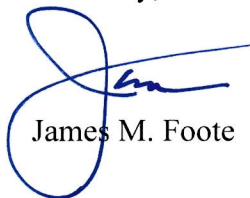
Demurrage

You have also asked for continued reporting of CSX's demurrage and accessorial charge revenue. In Q1 2020, CSX demurrage and accessorial revenues totaled \$63.5 million, down nearly 40% from Q1 2019. Simultaneous with this letter, we are providing a more complete demurrage report under separate cover.

In conclusion, due to the extraordinary efforts of our employees and the measures we have implemented before and during this pandemic, we are well-positioned to fulfill our customers' needs as they begin to scale up toward full production.

Should you have any additional questions, please don't hesitate to contact me.

Sincerely,



James M. Foote