Conrail Profile Analysis
Since split date, Conrail’s mission has been to administer consistent service levels to plan with the least amount of cost structure.

- The Shared Assets Areas initiated field operations with component levels not in excess of pre-split Conrail.
- An organizational “Change Agent” mentality delivered a re-engineered structure during the past fifteen years.
- Continual focus for improved operating efficiency has bred year over year benefits.
- Seizing synergies and maximizing economies of scale were realized by adopting “Best Practices” from parent company ownership.
As our evolution began to a Switching and Terminal configuration, a profile was developed in 2000 for purposes of ongoing comparison.

- Human Resources
- Infrastructure
- Equipment and Highway Vehicles
- Facilities
- Operating Plan
- Productivity/Service Performance
## Conrail Transportation Profile 2000 - 2015

<table>
<thead>
<tr>
<th>Human Resources</th>
<th>2000</th>
<th>2015</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTE Work Force</td>
<td>222</td>
<td>130</td>
<td>(92)</td>
<td>(41%)</td>
</tr>
<tr>
<td>T+E Work Force</td>
<td>614</td>
<td>429</td>
<td>(185)</td>
<td>(30%)</td>
</tr>
<tr>
<td>Total Transportation Work Force</td>
<td>836</td>
<td>559</td>
<td>(277)</td>
<td>(33%)</td>
</tr>
<tr>
<td>Transportation Worked and Compensated Man-Hours</td>
<td>129,741</td>
<td>88,893</td>
<td>(40,848)</td>
<td>(31%)</td>
</tr>
</tbody>
</table>

### Operating Plan

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2015</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Road Trains Dispatched Daily</td>
<td>96</td>
<td>103</td>
<td>7</td>
<td>7%</td>
</tr>
<tr>
<td>Passenger/Commuter Trains Dispatched Daily</td>
<td>66</td>
<td>63</td>
<td>(3)</td>
<td>(5%)</td>
</tr>
<tr>
<td>Owner Road Trains Made Up Daily</td>
<td>21</td>
<td>26</td>
<td>5</td>
<td>24%</td>
</tr>
<tr>
<td>Owner Road Trains Terminated Daily</td>
<td>19</td>
<td>25</td>
<td>6</td>
<td>32%</td>
</tr>
<tr>
<td>Number of CSX/NS Classifications Made</td>
<td>122</td>
<td>112</td>
<td>(10)</td>
<td>(8%)</td>
</tr>
<tr>
<td>Number of Serving Yards</td>
<td>27</td>
<td>22</td>
<td>(5)</td>
<td>(19%)</td>
</tr>
<tr>
<td>Number of CR Crews operated</td>
<td>145</td>
<td>164</td>
<td>19.0</td>
<td>13%</td>
</tr>
<tr>
<td>Route Miles DCS</td>
<td>234.6</td>
<td>215.5</td>
<td>(19.1)</td>
<td>(8%)</td>
</tr>
</tbody>
</table>
## Conrail Maintenance Profile 2000 - 2015

### Human Resources
- **Maintenance & Inspection Workforce**: 551 to 451, (100), (18%)
- **Maintenance & Inspection Worked & Compensated Man-Hours**: 109,039 to 74,969, (34,070), (31%)

### Physical Plant
- **Total Track Mileage**: 1,257.5 to 1,208.9, (48.65), (4%)
  - **Class I Miles**: 842.6 to 778.7, (64.0), (8%)
  - **Class II Miles**: 210.9 to 207.0, (3.9), (2%)
  - **Class III Miles**: 130.7 to 142.6, 11.9, 9%
  - **Class IV Miles**: 32.7 to 60.4, 27.7, 85%
  - **Excepted Track Miles**: 40.6 to 20.2, (20.4), (50%)
- **Road Crossings**: 958 to 901, (57), (6%)
- **Route Mile CWR**: 321.8 to 356.8, 35.0, 11%
- **Route Mile Jointed**: 263.2 to 208.9, (54.3), (21%)
- **Yard CWR**: 307.1 to 384.0, 76.9, 25%
- **Yard Jointed**: 424 to 374, (50), (12%)
- **Manned Towers**: 8 to 2, (6), (75%)
- **Manned Moveable Bridges**: 10 to 3, (7), (70%)
- **Buildings**: 60 to 45, (15), (25%)
- **Air Compressors**: 35 to 35, -
- **Switch Heaters**: 169 to 321, 152, 90%
- **Utility Services**: 848 to 921, 73, 9%
- **Leased Circuits**: 2,458 to 1,124, (1,334), (54%)

### Equipment & Highway Vehicles
- **Locomotives**: 142 to 87, (55), (39%)
- **Roadway Vehicles**: 274 to 222, (52), (19%)
- **M/W Equipment**: 32 to 16, (16), (50%)
Favorable performance results have been achieved during this period from engaging constructive change.

- Injuries – 55% reduction in injuries as of 2015
- Derailments – 72% reduction in derailment occurrences as of 2015
- Operating and maintenance positions – 30% reduction
- Operating and maintenance man-hours – 31% reduction
- Capital Expenditures have been matched to maintain level of utility, provide return on investment and improve efficiency through the application of technology
- “PPP” over past 15 years represents 29% of total capital expenditures
- Operating Performance and Productivity Improvements

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>2000</th>
<th>2015</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Crew Size</td>
<td>2.50</td>
<td>1.96</td>
<td>(0.54)</td>
<td>(22%)</td>
</tr>
<tr>
<td>Average T&amp;E Overtime per Start</td>
<td>2.29</td>
<td>1.40</td>
<td>(0.89)</td>
<td>(39%)</td>
</tr>
<tr>
<td>On-Time Train Departures</td>
<td>54%</td>
<td>96%</td>
<td>42%</td>
<td>77%</td>
</tr>
<tr>
<td>Yard Dwell Hours</td>
<td>30.3</td>
<td>19.1</td>
<td>(11.2)</td>
<td>(37%)</td>
</tr>
<tr>
<td>Cycle Time (Days)</td>
<td>9.6</td>
<td>6.5</td>
<td>(3.1)</td>
<td>(32%)</td>
</tr>
<tr>
<td>Worked &amp; Compensated Man-Hours Per Cars Handled</td>
<td>3.01</td>
<td>2.13</td>
<td>(0.9)</td>
<td>(29%)</td>
</tr>
</tbody>
</table>
CSX and NSC have realized the benefits of ongoing change initiatives at Conrail

**Implemented Initiatives:**

- Transportation reporting systems
- On-board customer work order reporting
- T&E crew management system
- Technology advancements
- Adopting parent’s material standards and specifications
- Consolidated track geometry testing
- Conveyance of property protection services
Continuing Initiatives:

- Managing work force attrition while maximizing productivity of man-hours
- Adopting proven parent company technology to produce change and efficiency
- Continuing subscription of best business practices from parent companies
- Benchmarking analysis of S & T companies owned by CSX and NSC