

New Jersey's Freight Rail Connection

April 18, 2016



Conrail connects New Jersey to the North American freight rail network

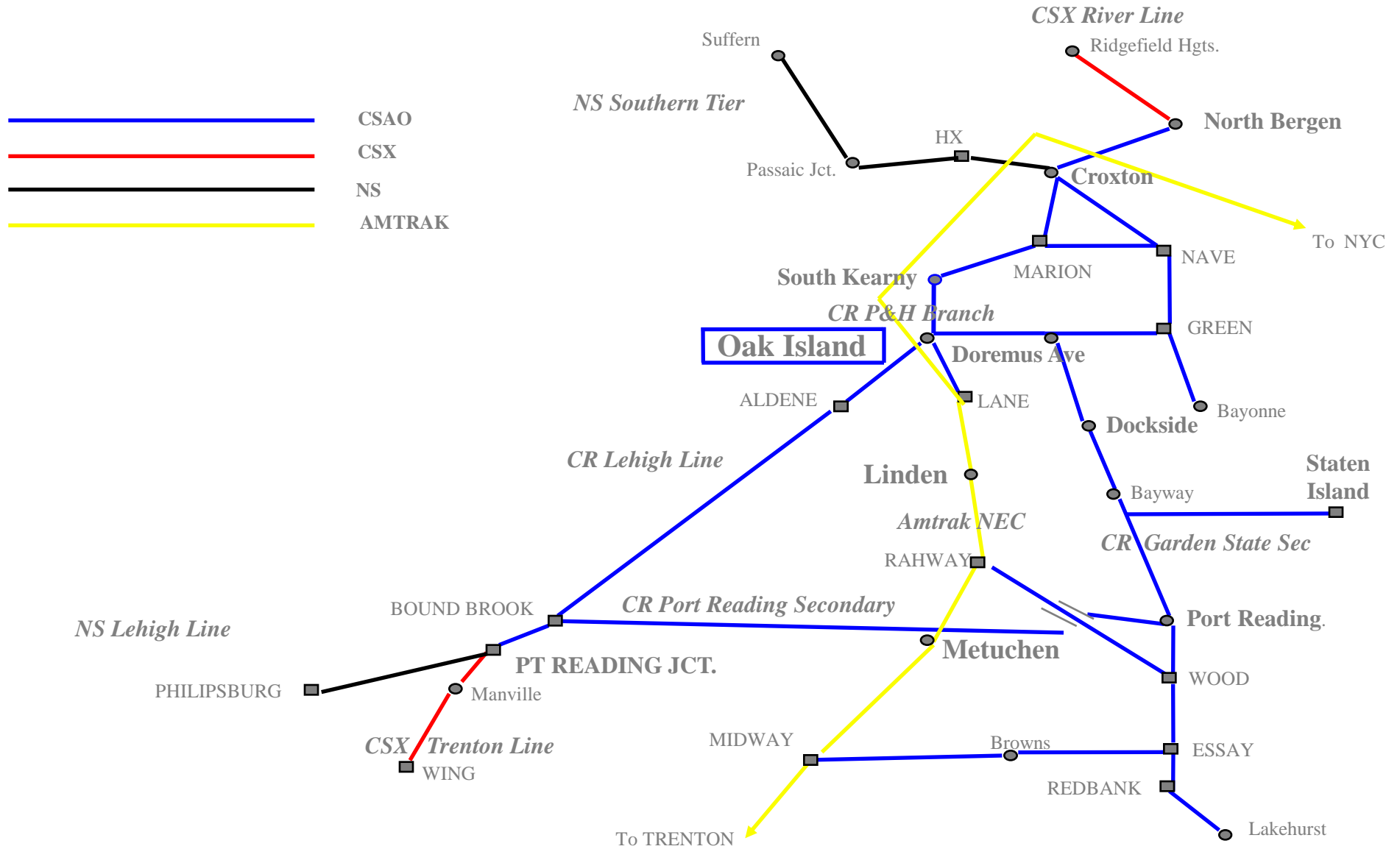
- Transitioned from a Class 1 to a Switching and Terminal carrier in 1999
 - 1200 miles in 3 regional areas
 - 1150 employees
- Conrail provides direct service with head-to-head competition among two Class 1 railroads – CSX and Norfolk Southern
- Conrail interchanges with 11 of 14 New Jersey shortline railroads, providing safe, reliable, and efficient rail service to our customers
- Contributes to New Jersey through employment and economic development as an environmentally friendly transportation alternative

Conrail provides safe and reliable freight transport service to New Jersey businesses



- 225 companies are served in 16 counties within New Jersey
- Nearly 300,000 carloads are delivered annually to customers within the state
 - Equivalent to 1.1 million truck loads removed from New Jersey highways
 - Every ton mile of freight moved by rail versus truck reduces greenhouse emissions by two-thirds
- Commodities delivered support a wide range of commerce from agricultural to housing and construction to health care

Conrail –North Jersey Metropolitan Area



Conrail makes significant investments that enhance safety, improve service, and expand capacity in New Jersey

- Over \$370 million has been invested from 2000 to 2015
- In addition, over \$145 million of additional investment has been made through public-private partnerships benefiting New Jersey
- In 2015 alone, nearly \$31 million was invested in New Jersey projects
- Conrail expends over \$76 million annually in New Jersey to operate and maintain rail infrastructure, providing safe and reliable service

Conrail partners with agencies in New Jersey to coordinate intermodal transportation as well as participation in public/private partnerships

- Local and county agencies
- New Jersey Department of Transportation
- New Jersey Transit and its commuter agencies
- Port Authority of NY/NJ
- North Jersey Transportation Planning Authority
- Amtrak

Conrail's Ongoing Focus and Commitment

- Managing risk associated with our human and physical assets
- Providing superior service to customers and short line partners on behalf of CSX and Norfolk Southern
 - Technological innovations
- Being visible in future freight and passenger rail initiatives
- Staying ahead of double digit growth at ports in New York and New Jersey
- Smart investments
 - Keep existing and attract new business
 - Public/Private projects
 - Add capacity to enhance service
- Development of Greenville Yard
- PTC
- Raising the 263K weight capacity limit on Amtrak and New Jersey Transit lines