

# NS Capacity in the Northeast

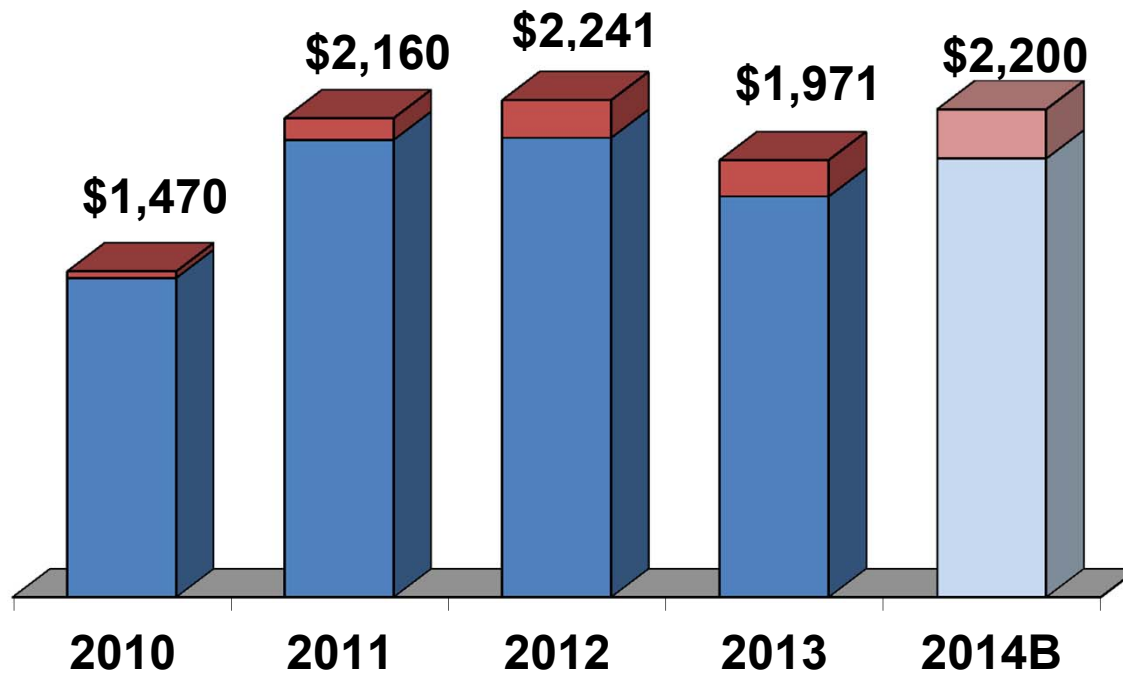
NEARS Fall Meeting  
October 2, 2014  
State College, Pennsylvania



# 2014 Capital Expenditures

(\$ millions)

**Robust Capital Plan - \$2.2 billion.**



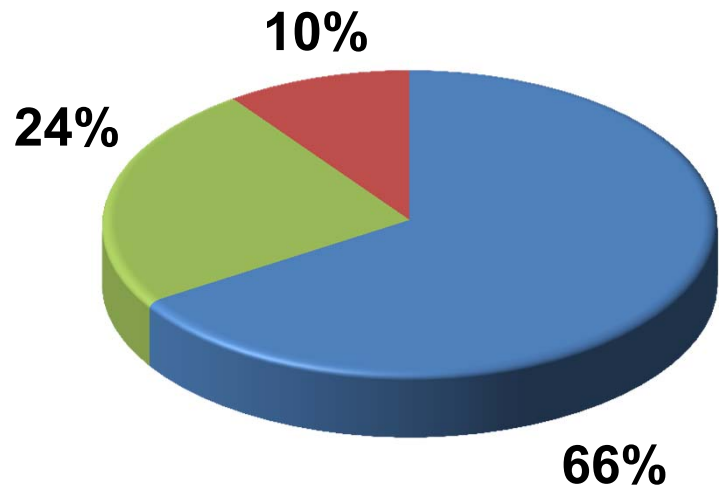
■ Positive Train Control

- 2013 spending came in slightly under our initial budget
- 2014 is budgeted to be 12% higher than 2013
- PTC spending expected to be \$220 million

# 2014 Capital Improvement Budget

Core vs. Growth vs. PTC

**Maintain the franchise, invest in business growth.**



- **Core/Replacement Investments**
  - Rail, Tie, Ballast programs
  - Locomotive rebuild program
  - Coal car replacements
- **Growth/Productivity Investments**
  - New locomotives
  - Yard expansions
  - Technology
  - Infrastructure improvements
- **Positive Train Control**

# 2014 Capital Improvement Budget

(\$ millions)

**Total budget = \$2.2 billion.**

- Roadway \$910
- Locomotives \$300
- Freight Cars \$250
- PTC \$220
- Facilities/Terminals \$210
- Technology \$70
- Infrastructure \$50
- Other Projects \$190



# *Bellevue: A Game Changer*

- **\$161.7 million project, to be complete 4Q14/1Q15**
  - **38.5 miles of new track**
  - **149 turnouts**
  - **162 new power switches**
  - **3 new buildings (11,340 square feet)**
  - **10.4 miles of new service roads**
- **Creates additional capacity at Elkhart and Conway**
- **When complete, Bellevue will be the second largest production yard in the United States**

# *Pennsylvania Capacity Investments*

- **Conway Yard Expansion**
  - **\$6.6 million**
- **West Harbor Siding Extension**
  - **\$4.5 million**
- **Eddystone Siding**
  - **\$2.5 million**
- **Abrams Power Crossover**
  - **\$1.2 million**
- **West Falls Track Realignment**
  - **\$2.9 million**

# *New Jersey Capacity Investments*

- **Royce Runner**
  - **\$13.4 million**
- **West Siding**
  - **\$2.4 million**
- **Tremley Siding**
  - **\$2.1 million**
- **Westville Siding (Conrail)**
  - **\$3.9 million**
- **Thorofare Crossover (Conrail)**
  - **\$0.3 million**

# *Delaware Capacity Investments*

- **Tasker Siding I, II and III**
  - **\$10.7 million**
- **Porter Diamond**
  - **\$2.8 million**
- **New Castle Secondary Track and Signal Upgrade**
  - **\$9.4 million**



# *T&E Hiring*

- 2014 YTD                    1,100
- 2014 Total                 1,600
- 2015 Projected    1,600
- <http://www.nscorp.com/content/nscorp/en/careers-at-norfolk-southern/job-openings.html>



**KEEP  
CALM  
WE ARE ALL  
IN THIS  
TOGETHER**



**NS NORFOLK  
SOUTHERN**  
*One line, infinite possibilities.*



*THANK YOU*

