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Hunter Harrison
President and CEO

August 16, 2017

Rail Customer Coalition
C/O Mr. Cal Dooley, President and CEO
American Chemistry Council
700 2nd Street NE
Washington, DC 20002

To the Members of the Rail Customer Coalition:

CSX was greatly disappointed with your many unfounded and grossly exaggerated statements in your letter of August 14th related to the service experienced by some customers as we implement Precision Scheduled Railroading, which has a proven history and long track record of delivering superior transportation services for customers. Though you did not extend us the courtesy of discussing those concerns with us first, most likely because your statements were made to advance your longstanding attack on the balanced approaches of the Staggers Act, we wanted to respond to you directly, and set the record straight.

Let me first be clear on what CSX is working aggressively to accomplish, and the results those efforts are already producing. The overriding objective of CSX's new operating plan is to provide superior and reliable service to our customers that provides them with a competitive advantage and contributes to American business success. The changes we are implementing today will deliver measurable improvements in key service metrics, resulting in our customers' freight moving more consistently, reliably and cost efficiently across the CSX network.

We are already seeing improvements, and we are intensely focused on delivering on that stated goal.

These transformational changes in many cases are profound. They require significant investment in our network and training for our employees, as well as adjustments on how we move freight for our customers. In the midst of our efforts, there have been some unfortunate disruptions to our service, which we are addressing aggressively.

The entire CSX team is in real-time dialogue with our customers, industry officials and regulators. We are working 24/7 to make the changes necessary to improve our ability to address customer concerns and to improve the flow of information. We are quickly optimizing our operating plan, asset utilization and increased deployment of resources in ways that will deliver direct benefits to customers.

Since coalitions do not have service issues, we do not intend to continue a discussion with you about the service we provide to our customers. We are also aware that not all members of your coalition were informed of your letter in advance and some do not agree with your position.

We will continue to work directly with our customers to address their concerns as we move forward, and encourage them to continue bringing issues to our attention as we accelerate our new operating plan. However, should your coalition wish to discuss the other completely unrelated topics like reciprocal switching which are more central to your agenda, we always welcome the opportunity to meet or talk with you at any time.

We welcome the continued engagement of the expert Surface Transportation Board staff and respect their authority. We will continue to work with them as they monitor our ongoing improvement. We are confident our customers will benefit greatly as we expand these operational improvements across our network, and we are focused on delivering even more reliable service and improved asset utilization.

CSX appreciates the trust that customers place in us and our dedication to them is unwavering. We remain committed to continue meeting customers' business needs as we move forward.

Sincerely,

A handwritten signature in blue ink, appearing to read 'E. Hunter Harrison', with a long, sweeping horizontal line extending to the right.

E. Hunter Harrison
President and Chief Executive Officer
CSX

cc: Agricultural Retailers Association
 Alliance for Retail Competition
 Alliance of Automobile Manufacturers
 American Chemistry Council
 American Forest & Paper Association
 American Fuel & Petrochemical Manufacturers Association
 American Malting Barley Association, Inc.
 American Petroleum Institute
 Association of Global Automakers
 Beer Institute
 Chemical Industry Council of Delaware
 Chemistry Council of Missouri
 Chemistry Council of New Jersey
 The Chlorine Institute
 Corn Refiners Association

The Fertilizer Institute
 Georgia Chemistry Council
 Glass Packaging Institute
 Global Automakers
 Grocery Manufacturers Association
 Institute of Scrap Recycling Industries, Inc.
 International Warehouse Logistics Association
 Louisiana Chemical Association
 Manufacture Alabama
 Manufacturers Association of Florida
 Massachusetts Chemistry & Technology Alliance, Inc.
 Michigan Chemistry Council
 National Association of Chemical Distributors
 National Farmers Union
 National Industrial Transportation League
 New York State Chemistry Council
 North Carolina Manufacturers Alliance
 Ohio Chemistry Technology Council
 Pennsylvania Chemical Industry Council
 Private Railcar Food and Beverage Association
 South Carolina Manufacturers Alliance
 Southeastern Lumber Manufacturers Association, Inc.
 Steel Manufacturers Association
 The Sulphur Institute
 Texas Chemical Council
 The Vinyl Institute
 Virginia Chemistry Council
 Virginia Forestry Association
 West Virginia Manufacturers Association
 The Honorable John Thune, Chairman, Committee on Commerce, Science, and
 Transportation
 The Honorable Bill Nelson, Ranking Member, Committee on Commerce,
 Science, and Transportation
 The Honorable Bill Shuster, Chairman, Committee on Transportation and
 Infrastructure
 The Honorable Peter DeFazio, Ranking Member, Committee on Transportation
 and Infrastructure
 The Honorable Ann Begeman, Acting Chairman, Surface Transportation Board
 The Honorable Daniel Elliott, Vice Chairman, Surface Transportation Board
 The Honorable Deb Miller, Surface Transportation Board
 The Honorable Deb Fischer, Chairman, Subcommittee on Surface Transportation
 and Merchant Marine Infrastructure, Safety, and Security, Committee on
 Commerce, Science and Transportation

The Honorable Cory Booker, Ranking Member, Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security, Committee on Commerce, and Science and transportation

The Honorable Jeff Denham, Chairman, Subcommittee on Railroads, Pipelines, and Hazardous Materials, Committee on Transportation and Infrastructure

The Honorable Michael Capuano, Ranking Member, Subcommittee on Railroads, Pipelines, and hazardous Materials, Committee on Transportation and Infrastructure