

SEPTEMBER
2016



Shared Track

Employee Appreciation Days

By: Anthony Carlini, Vice President, Chief Admin Officer & Treasurer

CONRAIL STRIVES to not only set the bar for safety and service performance, but to also recognize employees for their contributions toward Conrail's success. Conrail believes it's important that employees realize their hard work and dedication does not go unnoticed. The company hosts recognition events as a way of thanking their employees and families for their commitment and devotion to the railroad. In June, employees and their families were invited to attend the 2016 Conrail Family Picnic hosted at Frogbridge day camp in Millstone, NJ.

Everyone in attendance received a 40th Anniversary t-shirt and employees received a collapsible Conrail cooler upon entrance to the park. The venue provided various activities and games for all ages. Families enjoyed the day swimming, playing miniature golf, kayaking, playing tennis, basketball, and riding bumper and paddle boats. There were also a handful of games and friendly competitions hosted every hour by the event staff. The picnic was fully catered and a DJ provided musical entertainment throughout the day.

In Detroit, employees were invited to enjoy the largest auto show in the world, the Woodward Avenue Dream Cruise. Most of the 1.5 million spectators had to show up hours in advance to save a spot to avoid the hassle of jockeying for position to get a glimpse at the best the motor city had to offer. Conrail employees and their families had a front row seat in their very own reserved location on Woodward Avenue in Bloomfield Hills. Attendees were treated to great food and company along with the greatest automotive display in the world. Upon arrival, guests received a Conrail Dream Cruise badge, t-shirts, and collapsible coolers. Sleeping bags and an iPad were also raffled off every hour.

We would like to thank all that participated in making these events such an enjoyable experience. We strongly encourage you to take advantage of future appreciation events to reward you and your families for the important role we all have in Conrail's continued success.

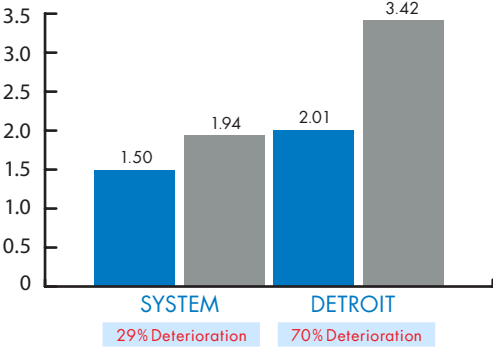


Detroit Shared Assets Area

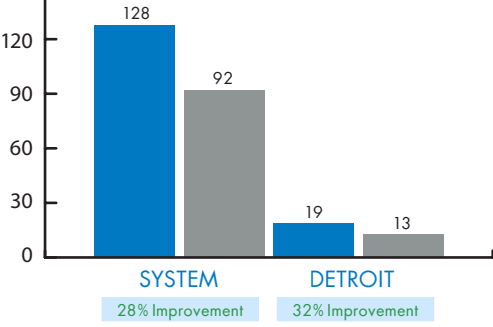
DETROIT SAFETY AND PERFORMANCE METRICS

■ Aug. 2015 YTD ■ Aug. 2016 YTD

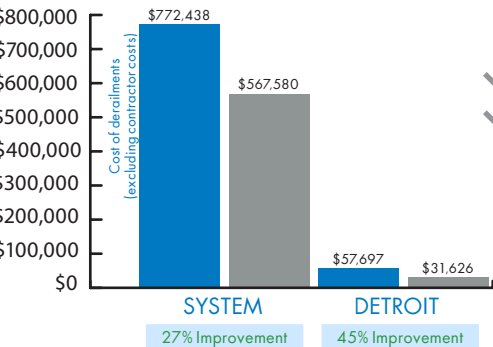
EMPLOYEE INJURY RATE



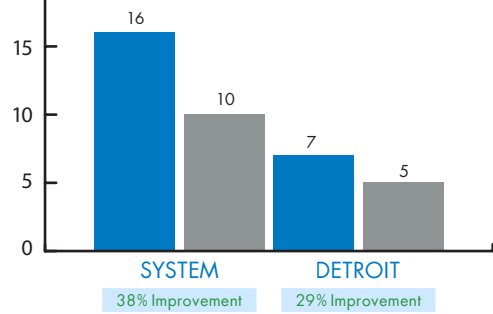
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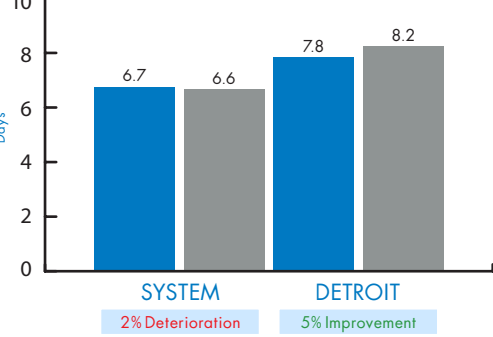
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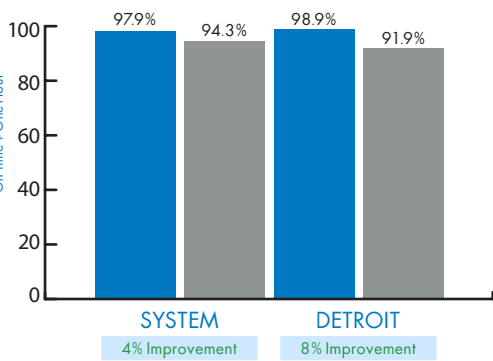
GRADE CROSSING ACCIDENTS



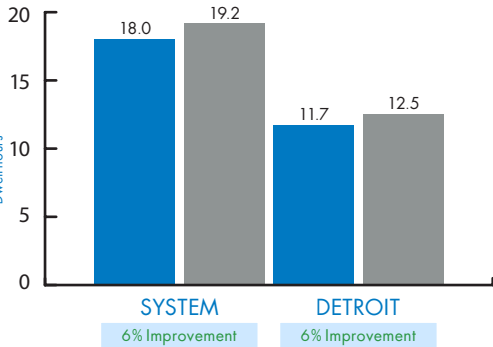
CAR CYCLE TIME



ON TIME DEPARTURES



YARD DWELL TIME



North Yard Project

By: Kevin Voss, Director Track Maintenance

CONRAIL'S ENGINEERING DEPARTMENT is always looking for new and improved ways to modify its infrastructure to accommodate customer needs, changes in business, and ensure a safe working environment. With the combined efforts of several departments, Detroit's North Yard underwent a drastic upgrade to meet the needs of the traffic coming in and out of the yard. The Detroit Engineering Department teamed up with the Transportation Department to evaluate what improvements could be made to the current layout that could enhance our efficiency in servicing customers out of North Yard.

The majority of the car business in North Yard is from the automotive industry, but the yard was designed for mixed freight, which requires a larger number of shorter tracks. This forces Conrail and NS crews to make numerous train movements to build their trains, costing them valuable time and resources. To alleviate this problem, the Engineering and Transportation Department decided that three long tracks would better suit current operations at North Yard. This also required a plan on how to maintain operations while performing the upgrades.

Prior to any work performed, the Transportation Department had to make changes to its current operation practices at North Yard to accommodate the construction work being performed. They had to figure out how they could work without the tracks that were being fouled, removed, and occupied by the Engineering Department with minimal disruption to customer service. Once they adopted their new operating plans, the Engineering Department set out to conduct the upgrades.

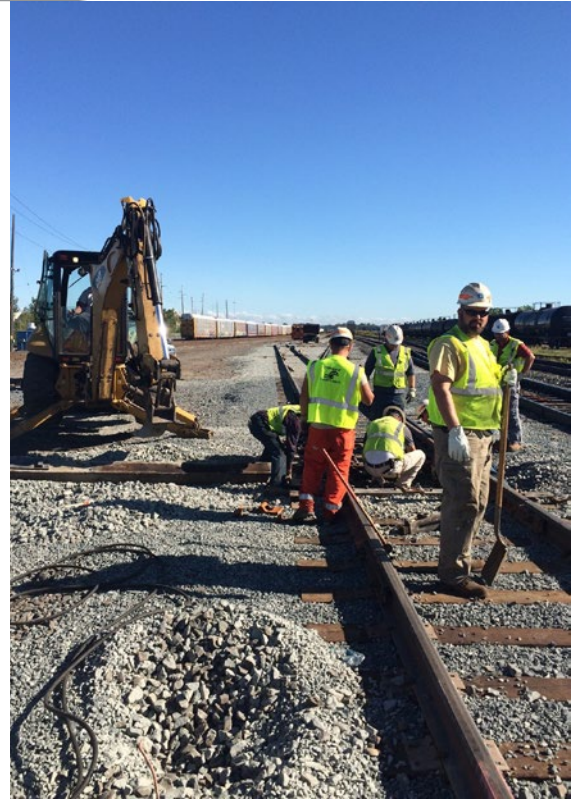
The massive project required coordination and teamwork from departments throughout Conrail. In order to make way for the new long arrival and departure tracks, the first step in planning the construction required the existing yard

office be relocated near the car shop facilities. The project also required the demolition of the original yard office, which was completed in late 2015. The Bridge and Building Department, B&B, had to contact numerous utility companies to have them relocate power lines and man-hole utility accesses to power and sewer lines prior to the track construction. The Communication Department had to relocate its radio tower to accommodate the construction. The work performed by B&B and Communication departments took a lot of planning and hard work in advance of the track construction.

The Engineering Department designed a Yard with three long tracks spanning between two interlockings (Conant and Bonita) with an access road alongside the third track so car inspectors could traverse from one end to the other while doing inspections on out-bound trains. The design would eliminate two tracks out of the Classification Yard and called for the removal of eight short tracks in the Receiving Yard.

The work was completed in two phases; phase 1 was done by Conrail forces and a scrap contractor. They removed 17 turnouts, relocated two turnouts, removed tracks 4 and 5 in the Class Yard, built 415 feet of new tack on the south end of Track 17 in the Receiving Yard, they removed 1,000 feet of track on the north end of track 17 in Receiving Yard, built out 1,000 feet of new track on Track 1, built out 120 feet of new track on the hump lead, built out 120 feet of new track on the North Yard Branch track 2. The work that was completed separated portions of the Receiving Yard to allow a contractor to come in and remove all of the remaining tracks being retired and to grade the area for the installation of the three new tracks and access road. The track department also allocated a new engine tie-down track, and rehabbed the track with installation of ties and asphalt.

Phase 2 was the construction of the longer tracks, portions of these tracks



existed from other tracks in the yard from the work performed in phase 1. The contractors also used new material, including two new switches on Conant end and one on Bonita end along with fit material salvaged from the retired tracks from the Class and Receiving Yard tracks. The new construction of these tracks provides North Yard with three long tracks, track 1 is now 7,743 feet, track 2 is 7,632 feet, and track 3 is 7,555 feet. Conrail's Signal Department installed two Switch machines on Conant end, and they installed three DTMF, operated switches with switch heaters on Bonita end. The power switches will increase shifting operations.

The long tracks will provide improved road train operations, better local service, reduce risk, improve car utilization, and will be completed in early October of 2016. It took the collective efforts of the Engineering and Transportation departments to complete this reutilization of North Yard, and the work performed there will benefit both Conrail and its customers well into the future.

GM Hamtramck facility

DETROIT-HAMTRAMCK (D-HAM) is among General Motors' most complex Manufacturing Assembly facilities in North America building four vehicles on one production line. It is GM's only plant located in Detroit with a total footprint that spans into two cities — Detroit and Hamtramck. Detroit-Hamtramck is the epicenter of electric vehicle production producing all of GM's extended-range electric vehicles.

They currently produce the Cadillac CT6, Buick LaCrosse, Chevy Impala and Volt. The automobiles are then shipped to various destinations depending on demand. "The big thing now is the Impalas and the Cadillacs going to Korea," said Jim Fincannon GM Hamtramck, Rail Manager. "We ship anywhere from 10-15 rail cars a day just going to Korea. They go to Mira

Loma, California, where they get trucked to a Navy base and loaded onto ships for their final destination."

The Hamtramck facility may only produce four different models, but ships almost every model produced by GM from its rail yard. "We get a lot of stuff trucked in from different facilities, which are then shipped out via rail," Fincannon said. "My goal is to clear out everything we have in the lot every day. We have 15 employees working on the rail side of our operations. We can load each rail car in 45 minutes to an hour depending on how many people we have on hand. We also maintain the yard as well."

On average 15-25 rail cars are loaded every day, and each rail car can hold up to 15 automobiles. In 2015, GM Hamtramck's facility shipped more than 2,000 rail cars, approximately 30,000 automobiles by rail alone. "We used to ship a lot of stuff by truck all over the country, but now anything going far is done all via rail," Fincannon said.

With 36 years of experience in the car-hauling business Fincannon keeps in constant communication with Conrail's trainmasters to make sure everyone is on the same page. "I usually talk to the trainmasters every day to let them know what our volumes are and what we plan on loading for the day," he said.

"Communication is paramount to our operations with GM," Senior Trainmaster Scott Cyrus said. "They do a really good job of that and they make it very easy for our crews to service the facility."



Philadelphia/Mount Laurel

RECEIVING YARD
TRACKS 1-9

Dispatch through the years

By: Kris Kneib,
Assistant Chief Engineer

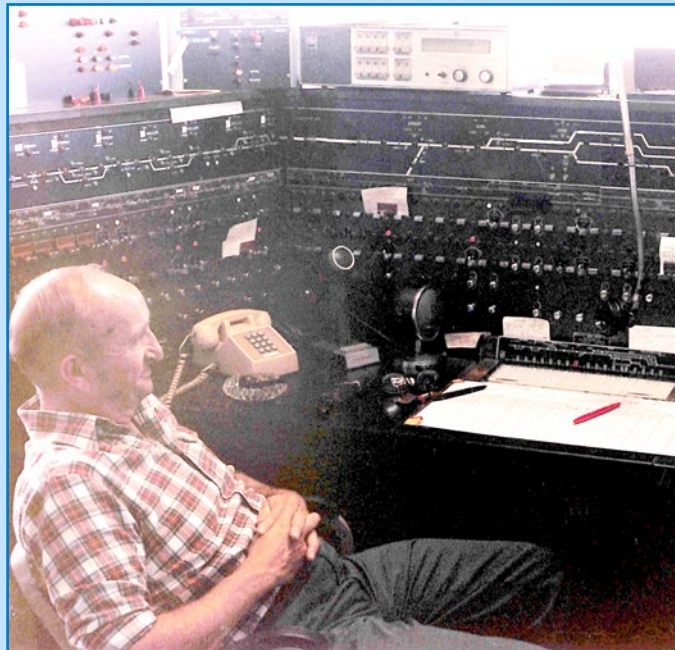
CONRAIL RECENTLY upgraded its Mt. Laurel, New Jersey, train dispatcher center and installed its new Computer Aided Train Dispatch System (CATDS). The system upgrade was prompted by aging hardware and unsupported software versions. In addition, it was a necessary step to prepare for Positive Train Control (PTC).

The previous system operated on Windows XP and ran AIM version 5.5.2, a 32 bit software platform. Each dispatcher had eight 21-inch monitors that were capable of displaying 10 fully customizable window views of their territory that include active switches, tracks, train crews and their train consist and much more.

The new system operates on Windows 7 and runs AIM version 9.3, a 64-bit software platform. The dispatcher's workstation now consists of six 30-inch high resolution monitors that are capable of displaying 15 fully customizable window views of their territory. The graphics have been revamped with a high definition modern theme making the need for eight screens obsolete.

The all new high-performance servers and workstations are equipped with expanded memory and were installed to meet the processing demands of the dispatch center. Several servers and high-speed dual-fiber networks ensure the system operates at peak performance. The upgrades provide a more detailed and real-time depiction of train movement, making it not only more efficient but safer for those working in the field. Like all things, dispatching has changed dramatically throughout the years, but Conrail's dispatchers continue to adapt and improve to ensure excellent customer service and a safe working environment.

1980's



1990's



2016



GIS Update

By: Rachael Crandley, Assistant Director of Business Development and Planning

IN AUGUST 2015, Conrail introduced its new Enterprise Geographic Information System, GIS, and provided an overview of the expected capabilities of this initiative. Significant progress has been made since then. Conrail's service provider and web developer for the GIS site, Bartlett & West, finished importing all databases, maps, and contracts, and unveiled a "beta" test site. This test site was the first attempt to connect all of Conrail's data in one central location. Throughout the year, some initial modifications and alterations were made to ensure optimum performance. We have mitigated any inconsistencies and are now able to focus on site optimization. Some of the alterations included the reorganizing and renaming of data sets while others involved modifying font sizes and other types of imagery to ensure the site would work on screens with various screen resolutions and in multiple browsers.

Now fully functional, the GIS system provides features for all users. Specifically for the Engineering Department, the site allows one to query the database for way-side equipment, and can identify engineering mileposts just by turning on a database layer. Side tracks and trackage rights are mapped, as well as location, identification, and historical data on all of Conrail's bridges, tracks, and yards. The Real Estate Department can now view, parcel ownership, boundary information, sold property, occupations/encumbrances are also available to view, and all are linked to the database and associated agreements. Real Estate managers can annotate directly on the

screen in order to propose new leaseholds or other transactions. The site allows users to associate railroad equipment with pictures and information to help maintain the system and plan for upgrades.

The next step in the process is to unveil the official site and train employees to use it. The initial training session is scheduled for early September and is slated to include approximately 25 employees. Consultants from Bartlett & West will teach three sessions: a general session to educate users on the aspects of the site everyone can access, and then two specialized training sessions to show the site's more in-depth capabilities. Once the initial training is completed, we will grant site access to more users.

The site will be accessible to all management employees, and they will receive logins, along with in-house training sessions by the end of this year. Learning the system may take some time, but the best way to learn it is by using it as much as possible. By granting access to the site in phases, we hope to ease the learning curve by allowing some employees to act as "training ambassadors" to others. Bartlett & West will be available to answer any questions if necessary.

Moving forward, there are many new items planned for 2017, including automated track charts and an enhanced bridge module. Future plans include customer information and tie-ins to Norfolk Southern's billing system.

Connections

Mount Laurel/Philadelphia

Injury-free Years of Service

- Douglas Adams, Supervisor Service Delivery, 5 Years of Service
- Keilla Oliveira, Records Clerk, 5 years of service
- Maria Bourassa, Manager-Engineering Contracts, 15 years of service
- Jayne Craig, Administrative Assistant, 40 years of service
- Leo Cybulski, Engineer Signals, 40 years of service
- Timothy Gardner, Director Operations Support, 40 years of service
- Bernard Maylie, Director B&B, 40 years of service
- Carlos Santos, Manager Program Management, 40 years of service

First Anniversary

- Jocelyn Hill, Asst. Gen Counsel & Dir Pa

- Michael Lake, Staff Accountant
- Steven Piscitelli, Customer Service Representative
- Rebekah Robbins, Customer Service Representative

Retirements

- David Arnold, Manager Information Technology, 40 years of service
- Nicholas Rabatin, Customer Service Representative, 42 years of service
- Douglas Tracy, Asst Chief Engineer C&S, 39 years of service
- Carol Woodcock, Chief Clerk, 45 years of service

New Hires

- Joseph Callandrillo, Customer Service Representative
- Steven Magouirk, Customer Service Representative

Detroit

Injury-free Years of Service

- Thomas Anders, Yardmaster, 5 years of service
- John Fischer III, Carman, 5 years of service
- Michael Green, Yardmaster, 5 years of service
- Nicholas Hanus, Conductor, 5 years of service
- John Marzolf, Asst. Trainmaster, 5 years of service
- Brian Purdy Jr, Conductor, 5 years of service
- William Royster II, Conductor, 5 years of service
- Ralph Hogg, Engineer, 40 years of service

- Michael Long, Electronic Technician, 40 years of service
- George Simonds, Engineer, 40 years of service
- Sylvia Walker, Shipper/Receiver, 40 years of service

First Anniversary

- Jarrett May, Conductor
- Shaun Morrison, Conductor
- Nickolous Pickett, Conductor
- Robert Seymour, Conductor
- Franklyn Young, Conductor

Retirements

- Daniel Cotter, Car Inspector, 40 years of service

South Jersey

Injury-free Years of Service

- Brian Obermeier, Asst. Supervisor C&S, 5 years of service
- Roman Bencik, Engineer, 5 years of service
- Robert Donahue, Asst. Trainmaster, 5 years of service
- Ryan Morrison, Asst. Trainmaster, 5 years of service
- Matthew Reganato, Engineer, 5 years of service
- Travis Williams, Conductor, 5 years of service
- Leo Luciani, Asst. Trainmaster, 10 years of service
- George Miller, Carman, 10 years of service
- David Gibbs, Electronic Technician, 30 years of service

First Anniversary

- Jason Ibarrondo, Car Inspector
- Patrick Macdonald, C&S Maintainer
- James McGinnis, C&S Maintainer
- Timothy Stubbs, C&S Maintainer
- Matthew Nelke, Electronic Technician
- Michael Preto Jr., Electronic Technician

Retirements

- James Hubler, Welder Foreman, 39 years of service
- Daniel Lauer, Inspector, 42 years of service
- James Knowles, C&S Maintainer, 42 years of service
- Joseph Castaldi, Welder, 40 years of service
- John Stacy, Foreman, 40 years of service

North Jersey

Injury-free Years of Service

- Shawn Hannon, Mechanic, 5 years of service
- Matthew Hoagland, Conductor, 5 years of service
- Mathew Kurilew, Engineer, 5 years of service
- Michael Mack, Engineer, 5 years of service
- Peter McDonald, Engineer, 5 years of service
- John Reilly, Carman, 5 years of service
- Saheid White, Carman, 10 years of service
- Sean Gumbs, Conductor, 25 years of service
- Judy Stranahan, Conductor, 25 years of service
- Frank Cappelluti, Inspector, 40 years of service
- Armino Costa, Car Inspector, 40 years of service
- Richard Pierson, Carman, 40 years of service

First Anniversary

- Anthony Baginski, Machinist Trainee
- Jake Zamorski, Electrician
- Mark Alpaugh Jr, Stevedore
- Jason Dantas, Carman
- Dustin Orrick, Carman

Retirements

- Nicholas Fallace, Yardmaster, 39 years of service
- Dennis Farrell, Conductor, 43 years of service
- John Bugel, Inspector, 39 years of service
- Barry Strumeier, Block Operator, 36 years of service

Nick Rabatin and Carol Woodcock

By: Stephen McGinnis, Communications Coordinator

THE AVERAGE AMERICAN worker stays at each of his or her company for 4.4 years, according to the Bureau of Labor Statistics. That's what makes Carol Woodcock and Nick Rabatin, whose combined years of service totaled 87 years, 20 times the national average, so remarkable. Carol and Nick both were hired by the Penn Central Railroad and worked there until the government consolidated several bankrupt railroads and created The Consolidated Rail Corporation. Carol began her career in 1970 as a Clerk in Philadelphia, and Nick was hired only two weeks after graduating high school as an Intermodal Clerk in 1974.

After the consolidation, both remained at the newly formed Conrail and remained there until their retirements in 2016. Carol retired as a Chief Clerk in the Engineering department with 45 years of service, a job which she held since Conrail split in 1997. Nick retired as a Customer Service Representative with 42 years of service; he also held his role since split date.

As to be expected both are looking forward to

retirement, but looking back they both cherished their time on the railroad and hope the best for those still working. "I would say my favorite thing about working for Conrail is the people," Woodcock said. "I have been so fortunate to work with really great people. We always laughed and had a good time, but we always got the job done. I'm really going to miss my Conrail family, because that's what we are, a family, but now it's time to spend it with my actual family."

"I just hope that everyone here has the opportunities that I have had on the railroad," Rabatin said. "It helped support my family and I got to work with a lot of really nice people over the years. I hope others can do the same."

Although the railroad played a significant role in their lives, both employees also played a significant role on the railroad and those they worked with.

"Nick was the ultimate professional," Michael Centeno, Director Service Delivery, said. "He worked hard, he was always friendly, and he knew the job better than anyone. It was a pleasure to have him as an

employee. He helped train and mentor every clerk working in customer service today. I am sad to see him and his extensive experience go, but I am happy for him. He's earned his retirement and I wish him the best of luck."

Eric Levin, Assistant Chief Engineer of Engineering and Mechanical, is extremely appreciative for everything Carol had done over the years. Although he misses her, he is happy she is able to go and enjoy her retirement.

"She was very well grounded in old school railroading and I loved that about her," Levin said. "Her professionalism when it came to the details was very refreshing, and I relied on her for that. I came to really respect and admire her with the way she performed her duties. I would have had a really rough time without her."

"I am so fond of and appreciative of her that I just want her to be happy and enjoy the time. She was terrific, and I do miss her. You can't buy good times like the time we had, and I am very appreciative that she chose to stick with us far longer than she had to. I wish her a long, happy, and healthy retirement," he added.

Connections

Jorge Velazquez

By: Stephen McGinnis, Communications Coordinator

IT IS PARAMOUNT to safety for employees to be aware of their surroundings at all times. When something out of the ordinary takes place, it should be reported immediately. Carman Jorge Velazquez exemplified this when he spotted someone trespassing near the Oak Island Car Shop.

"I was inspecting the cars in the shop and we went out toward the tracks," Velazquez said. "He started to walk into the shop; we stopped him and asked him if he needed help and if he knew where he was. He seemed a little out of it, so we told him to stay off of the tracks, but he continued to walk on them."

Instead of pursuing the gentleman, Velazquez followed the proper procedures and notified the Norfolk Southern Police Dispatcher. NS police officer Tom Jedic responded to the call and quickly made his way to Oak Island Yard from Elizabethport. "When I got to Oak Island I was told the gentleman was walking on the main line trackage, where the P&H and Lehigh line separate, so I just kept driving toward the CP. When I got to the man he was on the overhead trestle, so I drove as close as I could then got out and started running down the tracks towards him," Jedic said.

That's when things took a turn for the worst. "As I was running down the tracks, I see a CSX train heading right toward this guy. I notified the North Jersey dispatcher to hold all traffic in the area and to tell the crew on the train to stop. The CSX train was traveling down one of the two tracks that cross the trestle and quickly the older gentleman realized he didn't have many options. The guy didn't know what to do and he started to panic, so he just laid down in the middle of the track the train was traveling on, and once he realized that, he crawled over to the other set of tracks and laid in the middle of them."

Jedic was able to reach the man in time to move him to safety, but it was a very close call for everyone involved. "When I reached him I would say the train was about 30 feet from us. By the time it came to a complete stop, it was right where the man had laid down. The CSX crew was great; they did a great job slowing that train down and getting it to a halt. It was really a whole team effort, and it worked out great. It worked out really, really well."

A catastrophe was avoided, and it all started with a phone call to NS police. "I'm proud of Jorge because he took all the right steps. He identified that this man was trespassing on our property and appeared to have a problem of some kind, and he got the all right people involved. That was the biggest step. It helped get train movement to stop and get the man off our property before he or someone else got injured," Brian Taylor, Manager of Car Department Operations in North Jersey, said. "It takes an alert employee and an employee who cares to always do the right thing, and that's exactly what Jorge did," he added.

Jorge didn't just simply make a phone call though. His thorough description of the trespasser and direction of travel greatly assisted Jedic in locating and positively identifying him. "He gave us a complete description of what the man was wearing, the direction he was traveling," Jedic said. "In all the years I've been doing this you don't get that many people who can give you all the details on a subject as well as Jorge did. He really did a phenomenal job at how he reported everything."

Things could have gone very differently that day, but thanks to the hard work of everyone involved, a man's life was saved, but even more good come from this situation. "With the help of NS police and the B&B department, we got signs made with the NS police phone number. We placed them in strategic locations throughout the yard and put stickers in every vehicle with their phone number as well. We took a couple extra steps after this happened so we can be a quick as possible if we have any problems in the future," Taylor said.



Pat Sears

By: Stephen McGinnis, Communications Coordinator

IN AUGUST 2011, Conductor Pat Sears took his family camping, something their son Colin loved to do, but they quickly realized Colin wasn't being himself. They would soon find out their lives were going to change.

Pat and his wife Christine knew something wasn't right with Colin. "He loves fishing, but that day he was really irritable, really thirsty, and he was just really out of sorts," Sears said. "When we got home we took him to the doctors and they rushed us to the Children's Hospital of Philadelphia."

Colin was only 6 when he was diagnosed with Type 1 diabetes. The family spent the next eight days at CHOP getting Colin's blood sugar regulated and learning how to manage it.

"It's a family disease; he has this for the rest of his life. There is a lot involved. When he first got diagnosed, he had to take shots every day, 10-15 times a day. Now he has an insulin pump; it's attached to him 24/7. Colin checks it when he wakes up in the morning, before he eats, and before he plays any sports," Sears said.

The pump delivers Colin's medicine, so it eliminated a lot of the shots. He recently received a Glucose monitor, which the family can check using an application on their smartphones. "The advances are phenomenal. When Colin first got diagnosed, the stuff we have for him now was unthinkable back then, it has just come so far," he added.

The medical advances are due in part to donations that help fund the Juvenile Diabetes Research Foundation. Sears and wife Christine decided to get involved with the effort to one day eradicate Type 1 diabetes. The couple hosts several family-oriented benefits to raise money for the JDRF. They rent a hall where they provide food and entertainment for young and old to enjoy themselves and help raise awareness to Type 1 diabetes. "The money we raise is great; in the last three years, we have been able to raise close to \$15,000 for the JDRF. The money is great, but the awareness is even better," Sears said.

The turnout for their various events is extremely overwhelming for the Sears family.

"We had a lot of help from a lot of people, and we couldn't have done it without them," Sears said. "Whenever we have anything for Juvenile Diabetes, we have a lot of friends and family who come out. We are overwhelmed with all the support we get, from not only our family and friends, but our Conrail family as well. Everybody at Conrail has been very supportive especially the employees at Stoney Creek and Camden, even those in North Jersey. I'm not even going to name names because it would be everyone; I've never been turned down by any of them. It's a big deal for me; it's overwhelming to know you have these people who have your back."

Although the road is not an easy one, the Sears family takes pride in how well their 11-year-old son handles it. "I'm proud of our family, but most of all I'm proud of Colin," Sears said. "He's one of the strongest kids I've ever met. When you get pushed into something it's amazing what these kids can do; the resilience is unbelievable."

The Sears family is gearing up for the Philadelphia JDRF One Walk in October, an event they attend every year, raising funds under team Colin's Clan. The proceeds go to JDRF's research, working toward a cure and better treatment, to keep healthy, until a cure is found.

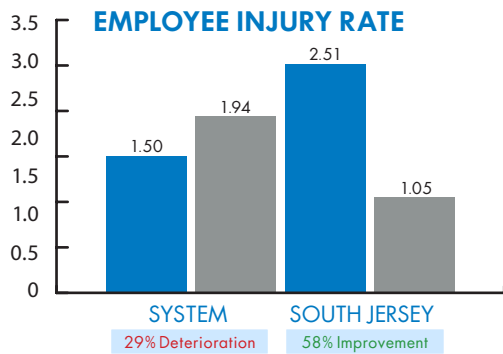


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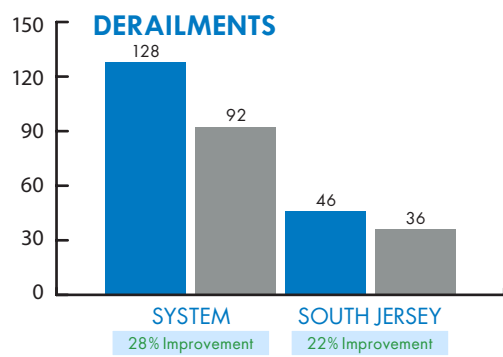
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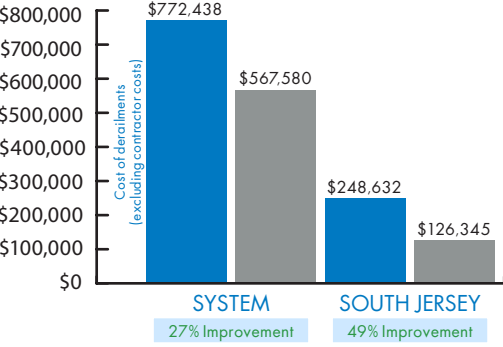
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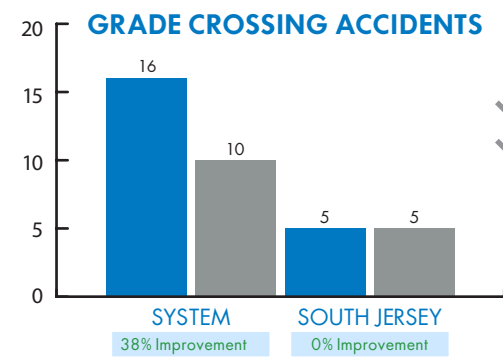
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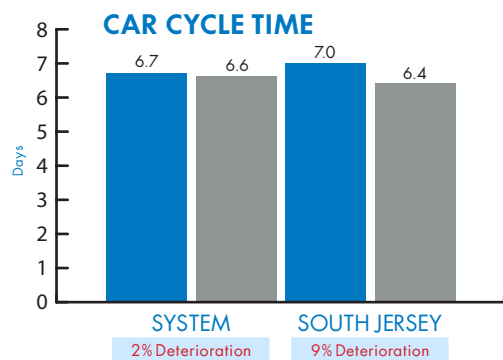
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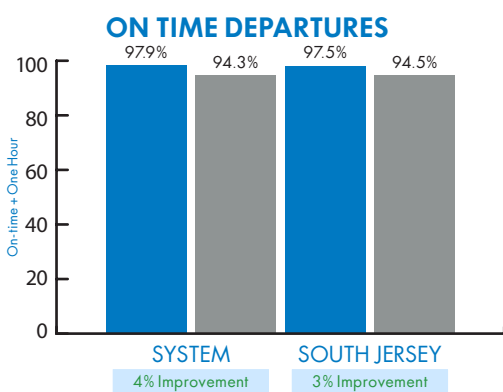
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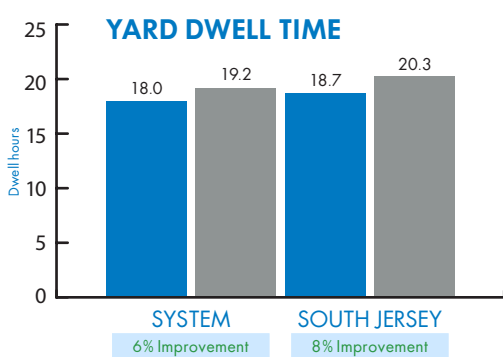
CAR CYCLE TIME



ON TIME DEPARTURES



YARD DWELL TIME



Tate & Lyle

By: Stephen McGinnis, Communications Coordinator

TATE & LYLE is a leading global manufacturer of specialty food ingredients. Their ingredient portfolio includes sweeteners, texturants (starches) and health and wellness offerings such as fibers. They also produce a range of industrial ingredients used in the paper, packaging, construction and adhesives industries.

The Company's Morrisville, Pennsylvania, Bulk Station is a key shipping location for them, connecting products (a range of about 12) from their U.S. production facilities with customers in the region.

"Our facility operates around the clock, so reliable freight service is imperative," explains Frank Luciani, Senior Bulk Station Manager. "We work with Conrail to bring through around 20-40 rail cars a day, and they are able to unload and transfer product — often high fructose corn syrup — onto trucks, which are then shipped to their various customers along the east coast. As of April 2016, more than 150 million pounds of product has left our bulk facility on trucks."

"And, Conrail plays a huge role in ensuring our products get to our customers on time in good condition. Trainmaster Phil Delisi always goes above and beyond to make sure we stay on track — literally. It's a great relationship across nearly 19 years and we appreciate their continued good service and relationship."

Trainmaster Phil Delisi shares that sentiment and is quick to share how much he enjoys the working relationship he has developed with everyone at the Tate & Lyle facility.

"It has always been a pleasure working with the Tate & Lyle team led by Frank Luciani. I've been working with him for the past five years and our relationship is key to the communication that keeps our operations fluid," Delisi said.



The River LINE

By: William Kaeser, Assistant Chief Engineer Project Planning

IN FEBRUARY 2000, Conrail sold its Bordentown Secondary Track that ran between Camden and Trenton, New Jersey, to New Jersey Transit Corp. for the construction of the NJT Southern New Jersey Light Rail Transit System known as the River LINE. NJT entered into a 10 year renewable contract with Bombardier Transportation to construct (with oversight provided by Conrail's Design & Construction Dept.), operate and maintain the River Line. Upgrades to track, stations, and signaling began shortly thereafter and on Aug. 15, 2002, Bombardier ran its first test train with its new equipment.

Consummate to the deal, Conrail retained ownership of the Pennsauken Industrial Track, Burlington Yard, Occidental Chemical Lead Track, Florence Industrial Track, Robbinsville Industrial Track and the Port Running Track, as well as a Rail Freight Easement on the Bordentown Secondary Track to continue providing rail freight service to its customers.

Conrail's freight operations had to be time separated from New Jersey Transit's Passenger Operations in order for NJT to obtain FRA approval of the Southern New Jersey Light Rail Transit System. This temporal separation was required by the FRA due to NJT's proposed use of light rail passenger equipment that did not meet the FRA's crashworthiness required for heavy rail passenger equipment.

Conrail's freight operating window is between 10 p.m. and 6 a.m. six days per week from 10 p.m. Sunday to 6 a.m. Saturday. NJT's Passenger Operating Window is between 6 a.m. to 10 p.m. seven days per week. NJT would perform maintenance between 10 p.m. Saturday to 6 a.m. Sunday. We all recognize that there can be exceptions, and it is no different on the River Line.

When Conrail needs to operate an extra train on Saturday and there is no scheduled maintenance, it is usually approved. If there is an event such as a concert in Camden and extra passenger service is required to handle the crowds, we may get out later on a Friday night. However, that's not a new concept when operating co-mingled service.

Bombardier Transportation Superintendent George Major shared his thoughts on how well things are running, "The partnership between the River LINE and Conrail operations has grown and strengthened over the 12 years of River LINE operation, with our continued focus on the two major themes in the railroad industry of Safety and Customer Service. Constant communication between our two organizations has driven the continued success of both the River LINE and Conrail's operations, which has sustained the achievements of our precedent setting shared use operations."

Conrail, at the commencement of the River LINE Passenger Service on March 14, 2004, had 28 active rail freight customers served by four Conrail train crews. Over the past 12 years, the landscape has changed; some businesses have left and others have relocated to the area. Twelve years later, Conrail now has 18 active rail freight customers and uses three train crews to provide the current service levels for its customers.

We are postured to maintain the current high level of performance and our commitment to proving safe and reliable service will not wane.



North Jersey Shared Assets Area

RECEIVING YARD
TRACKS 1-9

Greenville Yard

By: Jonathan Broder, Vice-President-Corporate Development and Chief Legal Officer

GREENVILLE YARD is located on the border of Bayonne and Jersey City, New Jersey, adjacent to the Hudson River. Reached via the Upper Bay Bridge, Greenville has been a sleepy little corner of Conrail for decades. But that is all about to change.

Originally, Greenville was an enormous yard that was the center of the Pennsylvania Railroad's car float operation to and from New York City. It was part of a hub of massive operations of multiple railroads between Weehawken and Bayonne where most of Conrail's predecessors terminated at the Hudson. As recently as the 1940's, these massive yards and float facilities were the source of about 1 million loaded cars per year that traversed New York Harbor. By the 1980's, the remaining car floats had consolidated into one last operation: the New York Cross Harbor Railroad in Greenville that floats traffic to and from Brooklyn each day. The rest of the New Jersey waterfront had begun its slow transformation into the impressive and bustling redevelopment you see today. Greenville itself had big chunks sold off, so that the remaining approximately 50 acres left was for interchanging traffic to the Cross Harbor float operation, as well as to support CSX's premium "Juice Train" service to Tropicana and adjacent customers at Simms Metals and the adjoining Pt. Jersey Railroad warehouse customer base.

In 2008, the Cross Harbor — now called the New York New Jersey Railroad (NYNJ) — was busy auctioning itself off to the highest bidder. Conrail had negotiated a right of first refusal to acquire the NYNJ as part of a new lease of Greenville in the early 2000's. At the 11th hour, as the NYNJ was about to be sold to a large waste company, the Port Authority of New York and New Jersey (PANYNJ) swooped in and offered to acquire Conrail's Right of First Refusal. A deal was struck that would assign Conrail's rights, and permit

the PANYNJ to undertake a massive redevelopment of the yard for multiple uses; most importantly, a new intermodal container transfer facility to add to its facilities in Pt. Newark. PANYNJ was required to fund critical improvements on Conrail to support the transaction.

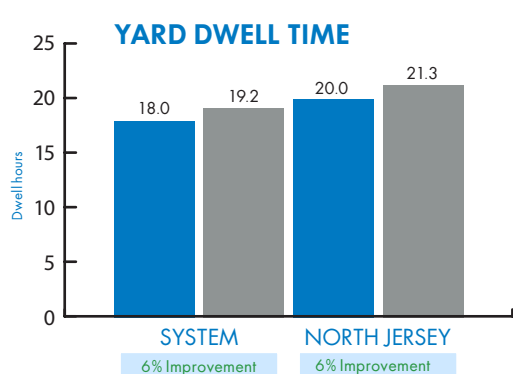
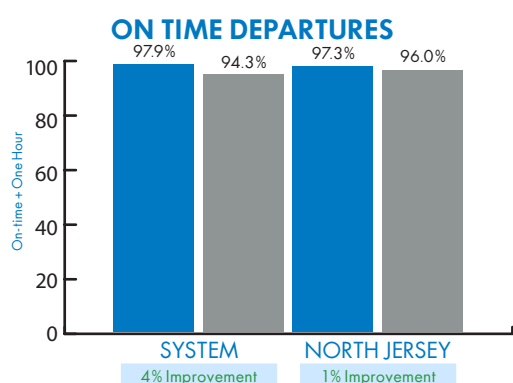
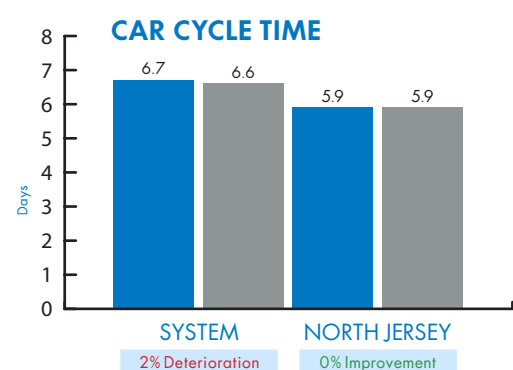
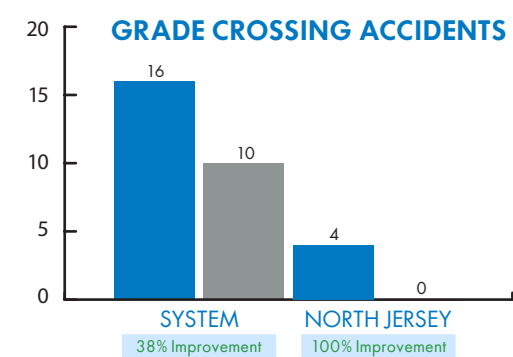
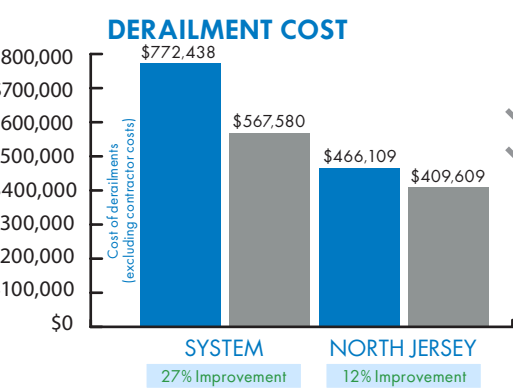
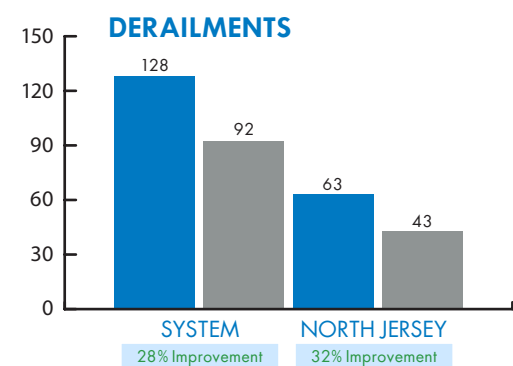
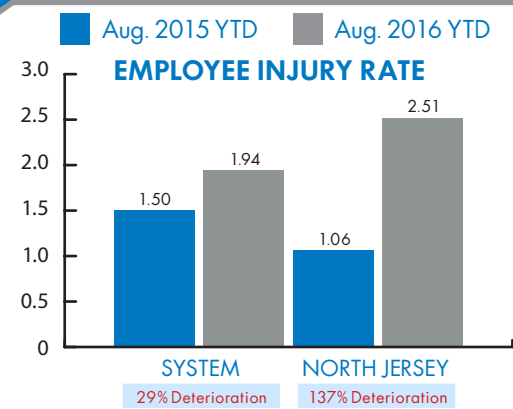
After eight years of changing politics, economics and ongoing negotiations, a joint team made up of Conrail-CSX-NS has finally completed the 15 documents needed to close this critical transaction. The key pieces include Conrail extending its lease of Greenville for 40 years to the NYNJ and entering a Master Construction, Maintenance and Operating Agreement that will allow the PANYNJ and its intermodal operator, Global of Bayonne, to build a brand new, \$400 million facility, to be completed in 2019. This facility will handle two full intermodal trains a day, as well as allow gradual growth to the cross harbor float operation. Critically for Conrail, as part of the deal, the PANYNJ has agreed to fund most of \$59 million in improvements on Conrail's system adjacent to the yard, adding tracks, signals and other critical capacity to handle what is expected to be a surge in business. Once fully built out, the new Greenville Yard could handle upward of 100,000 new carloads

of freight, turning what has been a remote and limited operation into one of the most important business hubs on Conrail. CSX and NS have agreed to participate in this project up to \$21 million over the next several years. The federal government is contributing \$100 million and the rest of the funding is coming from the PANYNJ as well as other federal TIGER and Fast Lane grants.

The critical strategic importance of the Greenville facility to the Port of New York lies in its ability to handle the new generation of giant intermodal container ocean carriers that have already begun to arrive at Global's facility in Bayonne. These ships are now possible because of the recent completion of the widening of the Panama Canal. Pt. Newark today cannot handle these larger ships because of the low clearance area under the Bayonne Bridge. However, that bridge is in the process of being raised, which will allow the bigger ships to reach Pt. Newark in a few years as well. These improvements and enhancements to capacity will permit the double-digit growth in rail lifts in the Port of New York to continue, and promises to be one of the key areas of business development and opportunity over the next 10 years for Conrail and its owners.



NORTH JERSEY SAFETY AND PERFORMANCE METRICS



Epic

By: Stephen McGinnis, Communications Coordinator

"NEW YORK CITY produces approximately 1,200 tons of biosolids every day from its 14 water pollution control plants. In 1988, ocean disposal of biosolids was banned by the federal government and New York City was required to find alternative land-based use for this material," according to the New York Department of Environmental Protection.

Since its inception in 1991, Epic, now a subsidiary of Synagro, has played a key role in transporting such material. Located in Brills, New Jersey, it has one of the largest waste-by-rail fleets in the U.S. with 325 rail cars and 2,700 intermodal containers. They transport wastewater residuals, hazardous soils and debris, dredge material, municipal waste and ash. The most notable of which is the sewage sludge coming out of New York City. They have the capability to process 3,400 tons of waste every day and average approximately 500,000 tons of waste annually.

"We only receive solid (as opposed to liquid) waste here. We are currently sending the sludge to landfills in Georgia and Ohio. There is a science behind it. The sludge is dumped on top of the garbage and helps remove any water in the form of leachate as the garbage is compacted and decomposes. It also keeps away vectors like rats, seagulls and other scavengers. To top it off, it doesn't smell. Our yard is full of cars loaded with waste, and it doesn't smell," said Neil Rogers, Director

of Rail Operations for Epic. "We have sent a million tons of NYC sludge to Colorado, more than a million tons went to Virginia, and we even export hazardous waste to Canada via Conrail to CSX or NS."

Their hard work and efforts did not go unnoticed, during its annual evaluation by the NYC DEP Epic received an excellent rating. "When they come to evaluate your facility they check everything from safety to cleanliness right down to the demeanor of the employees. We are the first contractors to ever receive an excellent rating from the DEP," Rogers said.

Their operation is not only limited to New York City, at times they have worked with 20 different customers/projects at a time within, but not limited to a 100 mile radius of its Brills location. Epic's customer/project base is well over 200. Epic also transports hazardous waste to Michigan, Alabama, and Canada currently and low-level radioactive material to either Idaho or Utah. In Utah, it is disposed of into abandoned missile silos where it is sealed with concrete then covered with clay and grass. All of which goes out via Conrail.

"Conrail plays an integral role in our operation every day. Even going back to when it was big Conrail, we have always had a great relationship with everyone. There are really zero complaints about our service, and the communication is great. We really have a smooth operation, and we aren't going anywhere anytime soon," added Rogers.

Safety Train

By: Allen Richter, Manager of Risk Management, and Steve Hart, Asst. Manager of Risk Management

PLANNING, PREPAREDNESS and Training: These three words can make the difference for a safe and coordinated response with the communities through which we travel if we should experience an incident or accident event.

Even before split date, Conrail has been teaming up with other railroads, vendors, consultants and organizations with the goal of training local, county, state and federal emergency responders on how to successfully integrate into and manage railroad incidents. The primary vehicles for these training opportunities include classroom, safety trains functional tabletop exercises, and, full scale exercises. The ultimate goal has always been to provide emergency responders with hands on, realistic training that will prepare them for a rail incident and to open the lines of communication between Conrail and our public partners.

CLASSROOM TRAINING

We refer to this segment of training as “Railroad 101.” Generally, this type of training is presented to local fire departments, at their request, during their designated monthly drill nights or weekends, to provide them with a window into the world of railroading and its environment. The objective is to educate those not familiar with our industry on how to keep themselves safe when responding to incidents on or near the railroad. During the training, we provide them with information on who to contact at the railroad, and the resources we can provide to assist them in safely identifying product(s) involved and mitigating an incident/accident.

SAFETY TRAINS (Norfolk Southern, CSX Transportation and TRANSCAER)

Conrail works with CSX, Norfolk Southern and Transportation Community Awareness and Emergency Response (TRANSCAER®) to schedule training windows in North Jersey, South Jersey, Philadelphia and Detroit to give local responders hands-on, full-scale training in a safe and controlled environment. Responders from all the counties Conrail operates in are invited to participate in the four to six-hour training session where they are split into small groups and rotated through stations that include basic railroad safety and nomenclature, tank car construction, tank car valves and fittings, response to crude oil emergencies (or other specific products that may be requested), locomotive familiarization and tank car leak mitigation. This is all made possible using the many features of the safety trains. The classes are conducted in boxcars that were converted into classrooms, and the train’s tank and flat cars allow for hands-on training.

For some of these events, local tank truck companies and chemical facilities send equipment and personnel to discuss such topics as highway tank awareness and chlorine mitigation and response. One of the most important parts of the safety train is face-to-face introductions between Conrail personnel and emergency responders.

FUNCTIONAL TABLETOP EXERCISES

Conrail understands that the physical response to any accident scene is only half of the job. The other half is the overall management of the incident. To prepare responders, government officials and railroad managers alike, Conrail sponsors scenario-based tabletop exercises. These exercises are mock incidents that occur on a specific track segment that will affect public works, hospitals, communities and rail operations, in the host agency’s area. The scenarios are an accelerated version of what will occur in an incident command center. All participants are separated into teams who have a specific scope such as command, operations, logistics, research, finance and safety. During the scenario, participants come away with the lesson that communication and cooperation are the pillars that make for a well-managed incident. At the conclusion of every exercise, both the public and private participants come away with



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a respect and better understanding of the capabilities of each participating party.

Since 2000, Conrail has successfully trained approximately 12,000 responders across all of our operating territory. Conrail will continue to schedule the “safety trains” for 2017 with the help of NS, CSX and TRANSCAER®. To further support the incident command relationship, Conrail will sponsor tabletop exercises to ensure that both the private and public entities gel in a major incident. This will provide the necessary refresher and initial training to the emergency responders along Conrail’s property and further strengthen our ongoing partnerships with local emergency response personnel.

The goal of Conrail’s training with emergency responders can be summarized by the statement used at the beginning of every training session and exercise: “It’s far better that we are meeting and get to know each other’s names, jobs and priorities in a controlled training session, than on a dark rainy night responding to an emergency situation.”