1996–2000
First Major Capital Program

- Five years, $25 million
- Relay rail
- Yard rehab
- Technology
Before…

Palestine Yard
After
2008 – 2015:

Light density to

HEAVY HAUL
2011-2015 Five-year Capital Plan

- $65 million
- Upgrade infrastructure to heavy-haul standards
- Rebuild core route system to handle four-fold increase in gross ton-miles by 2020
- Enhance capacity to meet future traffic volumes
2011 Accelerated Year 1:

- Renew 40 road crossings
- Replace 3 significant bridges
- Replace 34,000 crossties
- Undercut 18,000 feet of roadbed
- Install 21 track miles of continuous welded rail
- 166 miles of rail grinding
- 13 new miles of CTC territory
2006: Acquisition of Canadian Pacific’s Indiana assets

2009-10: Construction of Bear Run Spur

2011: Accelerated launch of five-year capital plan

Projected
Carloads

2006: Acquisition of CP’s Latta Sub
Revenue

2006: Acquisition of CP’s Latta Sub >
Revenue

Revenue Coal

Revenue Non Coal

2006: Acquisition of CP’s Latta Sub

Projected
Robinson Refinery, Robinson, Illinois
2015 and beyond:

• Increase in traffic of 50%
• Growth in heavy-haul and merchandise traffic
• Intermodal
• Acquisitions or strategic alliances
• Public-private partnerships
• Urban rail relocation projects
• Commuter rail
Short line and regionals’ Future Challenges
The Railroad Industry

- Fundamental technology is virtually unchanged
- Still full of potential
- The industry has continually reinvented itself for generations
- Today: less infrastructure, more tons, more productivity

Infrastructure Capitalization
The Class 1s
- Investment Tax Credit
- Reregulation
- Unfunded Mandates
Labor Relations