



Norfolk Southern Corporation
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Claude Edward Elkins
Vice President
Industrial Products

July 1, 2019

Dear Norfolk Southern Customer:

In a separate notification to be issued today, you will receive details regarding revisions that Norfolk Southern is making to our Demurrage and Storage (NS 6004-D), Accessorial (NS 8002-A), Switching (NS 8001-A), Conditions of Carriage #1-E and Thoroughbred Bulk Transfer (NS 9328-P) tariffs, the majority of which will be made effective September 1, 2019. Changes include, but are not limited to, the items detailed below while additional details can be found in the tariffs posted to our website.

As noted in earlier communications, Norfolk Southern constantly monitors network fluidity and market conditions across our network. The changes below are intended to improve the quality of service we deliver for our customers.

There are two changes that will be implemented immediately, as follows. First, customers can now submit disputes for demurrage and storage charges or computations without charge. Note that demurrage and storage records can continue to be approved or disputed real time in **AccessNS** up to the fifth (5th) calendar day of the month following the accrual closing event. Customers can submit disputes in writing, including specific dates and events, up to 30 days from the invoice date. Secondly, Item 6265 under NS 8002-A regarding the language and charges for customer-caused congestion, has been removed.

Among the changes slated for September 1, we are pleased to introduce service credit eligibility for empty, private railcars. Customers will receive one service credit per day when an empty, private railcar is delivered more than 24 hours early or late from the original ETA (max 5 credits). In addition, we are revising our service credit program for loaded cars to match the application of empty private railcars, whereby customers will receive one service credit per day when loaded railcars are delivered more than 24 hours early or late from the original ETA (max 5 credits). In addition to the aforementioned service credits, customers may also be eligible for LOPA credits when NS fails to place railcars at a customer's location on a calendar day when the failure is due to NS. Also effective September 1, we are also pleased to announce that customers can schedule diversions in advance of a railcar's arrival on the NS network.

As a reminder, our normal practice is to deliver and remove railcars in a continuous movement at privately-owned side tracks and industrial tracks without additional charge. Railcars that cannot be delivered to a customer's rail site because of conditions outside of our operating control may be placed on hold and be subject to charges outlined in NS 8002-A, Item 6000. In addition, NS may send private railcars to the designated OT-5 storage location if proper forwarding instructions have not been provided to NS, or the receiver/loader does not accept subject private railcar or other railcars at same location for seven (7) days or longer. Prior to movement, NS will provide at least two (2) days' advance notification to the car mark owner and, if available, the OT-5 controlling entity.

We are excited that **AccessNS** has become our primary electronic tool for use in inventory management and as such we will no longer accept faxes for bills of lading or diversions. If you have not done so, please visit our website at www.nscorp.com and register for **AccessNS** and our NS Trax Mobile Application to handle your needs electronically.

Finally, we are in the process of reformatting and reviewing our Switching (NS 8001-A) tariff to make it more user friendly. You will see that the tariff has been reduced by one-third of its original size and the switch charges and

customer locations have been combined for each location. We appreciate your patience in the coming months as we continue to review and update this tariff.

I encourage you to take time to review these tariff updates in detail and share within your organization.

Please contact your Norfolk Southern representative with questions. As we work to streamline processes in an effort to make it easier to do business, we are committed to providing timely responses to your questions and concerns. We thank you for your business and welcome your feedback regarding changes, along with your ideas on how we can positively affect service.

Sincerely,

Ed Elkins
Vice President Industrial Products
Norfolk Southern Corporation