Winter Haven Terminal Facility & Integrated Logistics Center
The Roll of Intermodal

Railway Age
August 2006

Serving the railway industry since 1856

150 Years

CAN INTERMODAL EASE THE SQUEEZE?
Why – The Opportunity!

CSX & Florida Dept. of Transportation partnering to bring transportation solutions

---- people and consumer goods ---

to the State of Florida in the 21st century.
The CSX Rail Network

- Serves all major eastern markets
- Covers 21,000 track miles in 23 states and 2 Canadian provinces
- Serves more than 70 ports
CSX and the Nationwide Transportation Network
The Supply Chain

Ocean transit

Port discharge to rail

Rail line-haul

Distribution center

Highway delivery

Inland Rail Terminal
U.S. Population Continues to Grow

U.S. Population
Population in Millions

Source: U.S. Census 2000
Florida Population Continues to Grow

- Florida is currently ranks 4th in population behind New York

- 2004 estimated population was 17.4M = 4.7% increase over 2003 (US grew by 3.8%)

- 1,000 people/day are making Florida their new home

- By 2020 FL will be 3rd largest state behind California and Texas
Transportation Growth is Expected to Continue

Transportation Forecast
Ton Miles in Trillions

Source: American Association of State Highway and Transportation Officials (all modes)
Highway Congestion is Increasing

Highway Infrastructure versus Miles Traveled
Indexed: 1980=100%

Source: Department of Transportation, National Transportation Statistics
Rail is the Viable Transportation Alternative

- Trucks experiencing pressure ....
  - Rising fuel prices
  - High driver turnover
  - Rising insurance costs
  - Hours of service change
  - Highway congestion
  - Driver shortages

<table>
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<tr>
<th>Cost per Mile</th>
<th>Q1 2003</th>
<th>Q1 2006</th>
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<tr>
<td>Trucks</td>
<td>24-28%</td>
<td>8-12%</td>
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<tr>
<td>Rail</td>
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Positioning the Southeastern Corridor for Growth

- Line Capacity Improvements
  - Increase train fluidity
  - More efficient staging of trains
  - Improved service reliability & recoverability
  - Greater opportunity to manage flows through congested or populated areas

- Commercial
  - Demographic shift creates new customer demands
  - New central Florida hub for distribution
CSX’s Main Florida Network

Central Florida
- A-Line
- S-Line
- New Intermodal & Auto Terminal + Future Logistics Center
Both Routes are Primarily Single Track

A-Line – (Future for passenger and freight)
- Now supports 17 trains / day (avg)
- Critical for coal, intermodal, merchandise, automotive and aggregate deliveries

S-Line – (Future for freight only)
- Now supports 20 trains / day
- Critical for phosphate, coal, intermodal, automotive, merchandise and juice
Florida’s Rail Future – A Shared Vision

- Commuter rail will be established through Orlando
  - Requires relocation of Intermodal and Auto terminals

- Investments in S-Line capacity will:
  - Increase fluidity of rail freight traffic
  - Enable transportation of greater volumes of goods while minimizing the burden on the highways

- Central Florida rail facilities will be a hub for business and economic growth locally and Polk County

Key to Success = Coordination + Communication
What Is Planned For Winter Haven?

- A new rail infrastructure
- Intermodal terminal operation
- Automotive terminal operation
- Associated warehousing, distribution & service facilities in the future plans

This is not a railroad mixing yard
Intermodal Terminal
Automotive Terminal
Why Winter Haven?

- Rail frontage on the CSX mainline
- Central to the Florida freight market
- Access to SR 60 and other necessary transportation systems
- Single ownership site
- Constructability – manageable wetlands & endangered species
- Public / Private Partnership with the local communities, Polk Co, & the State of FL
Future Opportunities
Future Uses ... A Comparison

- Representation from Fortune 500, Global 500 or Forbes List of Top Private Firms
  - Home Depot
  - Kraft Foods
  - Hewlett Packard
  - FedEx
  - GM
  - Michaels Stores
  - Ashley Furniture
  - United Parcel Service
ILC – Potential Public Benefits

- Output (cost of goods & services) during construction - $112M
- 1,370 jobs Yrs 1 & 2 – construction, services, etc.
- 110 jobs at terminal @ opening

- $10.6B in output
- $900M in tax revenues
  - $400M @ state & local level
- 8,500 jobs

Over 10 year projected build-out
Environmental Benefits of Rail Transportation

- A gallon of diesel fuel can move a ton of freight a distance of 423 miles.

- Less greenhouse gas emissions than trucks ..... about 4 times

- A single intermodal train can take 280 long haul trucks off of the highway
CSX’s Commitment to Environmental Stewardship

- First railroad to join EPA’s Climate Leaders program.
- Implemented new technology and conservation efforts to reduce annual fuel use by 30 million gallons or 690 million tons of carbon dioxide.
- Invested more than $1 billion to upgrade its fleet with more fuel efficient, low-emission locomotives.
Current Projected Timeline

- 2008 – Effective Development Order
- 2008 – SWFWMD Permit
- 2009 – USACOE Permit
- 2009 – Pollard Rd Construction Start
- 2009 – Terminal Construction Start
- 2010 – Terminal Opening