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December 1, 2025
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BEFORE THE
SURFACE TRANSPORTATION BOARD

U.S. Department of Energy and U.S. Department of Defense v. Baltimore and Ohio Railroad Company, et al	Docket No. 38302S
U.S. Department of Energy and U.S. Department of Defense v. Aberdeen & Rockfish Railroad Company, et al	Docket No. 38376S

JOINT MOTION OF THE U.S. DEPARTMENT OF ENERGY, U.S. DEPARTMENT OF DEFENSE, AND CSX TRANSPORTATION, INC. FOR APPROVAL OF SETTLEMENT AGREEMENT AND PRESCRIPTION OF RATE METHODOLOGY

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The U.S. Department of Energy and the U.S. Department of Defense ("DOE/DOD," or the "Government"), and CSX Transportation, Inc. ("CSX") parties to the above-captioned proceedings, join in presenting this motion asking the Board to approve their Settlement Agreement attached hereto and to prescribe the rate methodology set forth therein.

This is a global settlement between the Government and CSX, settling all matters in controversy between the parties, and therefore, the Government and CSX join in seeking dismissal of CSX as a party and the extinguishment of CSX's liability for any matters arising in connection with these proceedings.

The Government and CSX have attached a copy of their Settlement Agreement dated October 17, 2025, as Exhibit A. They have also attached a proposed Order as Exhibit B and a proposed Federal Register Notice as Exhibit C. The Government and CSX stress that their settlement was reached between well-informed parties with expert advisors after many years of negotiations. The Settlement Agreement between the Government and CSX is substantially similar to previous settlement agreements approved by the Surface Transportation Board ("STB" or "Board") between the Government and Union Pacific Railroad ("UP"), the Government and BNSF Railway Company ("BNSF"), and the Government and Norfolk Southern Railway Company ("NS"). The settlement that the Government and CSX have reached is for the sole purpose of resolving the issues between them in these proceedings and is not binding upon them in other proceedings in which they may be or become involved or for any other purposes.

A. Summary of Action Requested from the Board

1. The Government and CSX request that the Board approve their Settlement Agreement without prejudice to the Government complaints and other actions insofar as they involve all other carriers in these proceedings.[1]

2. The Government and CSX ask the Board to prescribe the rate methodology and the maximum revenue-to-variable cost ("RVC") ratios to which the Government and CSX have agreed for the commodities and rail services that are the subject of the

[1] The Government filed two complaints regarding the same commodities on March 27, 1981. The complaint in Docket No. 38302S, seeking reparations was served on 21 major railroads. The complaint in Docket No. 38376S, seeking rates for the future, was served on local agents for the rail industry.

Settlement Agreement.

3. The Government and CSX ask the Board to dismiss CSX as a defendant in these proceedings[2] and to take other steps which will be described herein to eliminate any requirement that CSX participate further in these proceedings.

4. The Government and CSX request that the Board extinguish any liability that CSX may otherwise have had for reparations related to past shipments of the Covered Movements in accordance with the provisions of Paragraph 14 of the Settlement Agreement.

5. The Government otherwise asks the Board to retain jurisdiction and to continue to hold the remainder of these proceedings in abeyance pending further settlement negotiations.

B. Commodities Involved

These proceedings involved nationwide Government movements of:

- irradiated fuel elements known as spent nuclear fuel,[3] including radioactive parts and constituents, and spent nuclear fuel moving from a foreign country to the United States for disposal;
- empty shielded containers or "casks";
- radioactive waste materials; and

[2] The Settlement Agreement calls for dismissal of CSX as a party from both Docket Nos. 38302S and 38376S. CSX should thus be dismissed as a party from the Government's pending motion to sever and consolidate tariff questions, filed Oct. 3, 1994, and the pending Petition of the Railroad Defendants to Dismiss the Complaints in Nos. 38302S and 38376S, filed on or about January 16, 1996.

[3] We note that the terms "spent fuel", "spent nuclear fuel", "used nuclear fuel", and "irradiated reactor fuel" have been used by DOE, DOD, the Nuclear Regulatory Commission, and industry and are considered equivalent.

- buffer cars and escort cars used in connection with shipments of any of the above.

The movements in issue in these proceedings are nationwide, including movements originating and terminating in the East. The Interstate Commerce Commission ("ICC") prescribed a local and proportional Eastern rate basis some years ago.[4] For movements governed by the prescribed Eastern Rate basis, this Settlement Agreement has incorporated a method of determining rates for dedicated trains which grants CSX an increment over the Eastern rates to bring the cost of those shipments more in line with shipments nationwide.

C. Railroad Rates and Services at Issue

1. The railroad rates for regular common carrier freight train services for the commodities listed above are in issue in these proceedings. The parties to these proceedings have for many years disputed whether spent nuclear fuel can safely move in regular train service. That controversy, briefly described in the footnote,[5] was litigated in proceedings before the ICC, and it has not been reopened in the settlement discussion. The parties fully accept those decisions of the ICC for the purposes of this Joint Motion.

2. In a motion filed October 3, 1994, the Government asked the ICC to sever the issues relating to the quantity of service, including the number of routes open for moving

[4] I & S Docket No. 9205, Trainload Rates on Radioactive Materials. Eastern Railroads, 362 ICC 756 (1980), 364 ICC 981 (1981), sustained sub nom. Consolidated Rail Corp. v. ICC, 646 F. 2d 642 (D.C. Cir. 1981) cert. denied, 459 U.S. 1047 (1981).

[5] When the carriers operating in the South and West filed tariffs requiring spent nuclear fuel and radioactive waste shipments to move only in special trains, rather than in regular freight service, the ICC disapproved. Radioactive Materials, Special Train Service, 359 ICC 70 (1978). The ICC later awarded the Government reparations for the mandatory special train charges. U.S. Dep't of Energy v. Baltimore & Ohio Railroad Co., 364 ICC 951 (1981), appeal dismissed sub nom. Consolidated RailCorp. v. ICC, 685 F. 2d 687 (D.C. Cir. 1982). When the Government sought to enforce the reparations order in court, the Government settled, with the railroads paying the Government $8 million of reparations. Paragraph 13 of the Settlement Agreement addresses the determination and charge for special or dedicated trains.

radioactive material nationwide. The ICC had earlier found that the cancellation by the Southern and Western Carriers of their participation in the Uniform Freight Classification ("UFC") on spent nuclear fuel without reestablishing other rates and services was in conflict with prior Commission decisions barring flagouts from the UFC.[6]

This Agreement differs from those with UP and BNSF in that part of CSX's routes are covered by the Eastern prescription, as was the case with NS. As noted above, this aspect of CSX service is addressed in the Settlement Agreement. The CSX and NS agreements address the Eastern prescription in the same manner.

3. The parties' agreement addresses the elements of service required of CSX in moving spent nuclear fuel. The Settlement Agreement specifically describes some of the elements of service that are included in the rate for basic services under the Agreement (*e.g.* paras. 4 and 6.A.). The Settlement Agreement rests on the common carrier obligations of CSX, and at the same time addresses and resolves issues relating to more specific elements of required services.

4. Also at issue in these proceedings is whether there are any special handling or other services required of nuclear commodities for which the carriers are entitled to separate and additional compensation above the line haul rates and charges. Ancillary services requested by the shipper would potentially become an issue in the absence of an agreement. The Settlement Agreement addresses and resolves the issue of rates for

[6] U.S. Dep't of Energy, et al. v. Baltimore & Ohio Railroad Company, et. al., 10 I.C.C. 2d 112, 149 (1994).

extra services in paragraph 6.B.

D. <u>The Settlement Completes A Complex Proceeding With Respect to a Major Defendant</u>

1. The underlying complaints in Docket Nos. 38302S and 38376S were filed in 1981 under Section 229 of the Staggers Rail Act of 1980.[7] These are the last of the hundreds of complaints filed under that section.

2. The Government first began shipping spent nuclear fuel in shielded casks in the 1950's. In that period, the shipments moved under quotations issued under the former Section 22 of the Interstate Commerce Act (predecessor of 49 U.S.C. 10721) as "chemicals" or other descriptions. In 1962, the Southern and Western railroads requested special permission from the ICC to file class rates that remained in effect until 1988 and were in effect at the time of the filing of the present complaints.

3. The movements that have been actively litigated since 1981 have involved nationwide shipments of naval spent nuclear fuel, empty casks, and radioactive waste.

4. The shipping containers or "casks" for spent nuclear fuel and high-level radioactive waste are built to contain the radioactivity and to withstand stringent impact, drop, and fire tests mandated by the U.S. Department of Transportation and the U.S. Nuclear Regulatory Commission. These massive casks are constructed of stainless steel themselves and weigh considerably more than the load of spent nuclear fuel they are designed to hold. Such loads have moved by rail for over 65 years without any injury or fatality attributable to the radioactive nature of the commodity.

5. In 1986, the ICC ruled in Dockets 38302S and 38376S that the railroad parties

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[7] Section 229 was codified in a note to 49 U.S.C. § 10701a.

were engaging in an unreasonable practice by imposing certain cost additives to their rates for transporting spent nuclear fuel and empty casks. The ICC prescribed new rates and charges and awarded the Government reparations.[8] The Court of Appeals overturned the decision on the ground that the proceedings should have been handled as a rate reasonableness case, not an unreasonable practice case, and remanded for additional proceedings.[9]

6. On remand, the ICC reopened the proceeding with the Government departments as the sole remaining complainants.[10] Much new evidence and argument was presented by the parties under an overall *RVC* test and an inquiry into comparable commodities, including whether the commodities in issue were "recyclables" that were entitled to the specially reduced rates Congress had mandated at that time for such shipments.

In 1994, the ICC ruled that some of the commodities were recyclables but directed the parties to present additional evidence.[11] In the ICC Termination Act of 1995, Congress repealed the special rate for recyclables. In 1996, the carriers filed a petition with the Board under the new statute to dismiss the Government's complaint. The petition is still pending, but was mooted for three parties, UP, BNSF, and NS Railway Company, pursuant to settlements with the Government which the Board approved by an order entered in these dockets on July 27, 2005 (served 2005) ("August 2005 Decision"), and

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[8] Commonwealth Edison v. Aberdeen & Rockfish R.R., 2 ICC 2d 642 (1986).

[9] Union Pacific R. Co. v. ICC, 867 F. 2d 646 (D.C. Cir. 1989).

[10] The Court of Appeals concluded that the private utility shippers, originally joined as parties to the proceedings had not shown market dominance necessary for ICC jurisdiction, and the ICC dismissed them as parties. 867 F. 2d at 649-50. The railroads on that appeal conceded market dominance in the case of Government shipments. *Id.* at 649.

[11] 10 ICC 2d 112, *supra* note 6.

effective September 1, 2005, in the case of UP; a second order entered August 19, 2013 (served 2013), effective September 25, 2013, in the case of BNSF; and a third order entered June 26, 2017 (served 2016), effective July 28, 2017, in the case of NS.

E. Proceedings Have Been Held in Abeyance Pending Settlement Negotiations

1. The proceedings now before the Board have been held in abeyance pending settlement negotiations, which began as an industry-wide effort with all major railroads. It was found, however, as the parties entered into rate discussions, that antitrust concerns required them to undertake meaningful negotiations on a carrier-by carrier basis.

2. The settlements with UP, BNSF, and NS successfully resolved all rate-setting, shipping, and service determination between UP, BNSF, NS, and the Government, and have governed those parties' relationships since the dates they took effect, without substantial issue. Those settlements have served as models to the Government for the current Settlement Agreement with CSX.

F. The Agreement is Substantially Similar to the UP, BNSF, and NS Settlements, Which Were Approved by the Board

1. As outlined in Section G below, the Settlement Agreement between the Government and CSX is substantially similar to the Government's agreements with UP, BNSF, and NS. While adopting the rate structure and principal terms of those agreements, the Settlement Agreement with CSX also improves upon those documents in certain ways by:

- Clarifying or elaborating upon definitions and accepted practices.
- Making explicit certain legal standards applicable regardless of their inclusion in the Agreement.

2. One significant difference between this agreement and the NS and UP Agreement

warrants mention. While the NS and UP Settlement Agreements provide for an unlimited term, the CSX agreement, like the BNSF agreement, provides for a term of 25 years, with the possibility of extensions.

G. Comparison of this settlement agreement with the NS agreement

1. The CSX Settlement Agreement has six attachments. The first five attachments are used to compute rail costs for regular and dedicated train services and labor charges for extra services. Attachment 6 provides a definitive way to distinguish between Eastern and non-Eastern lines. The attachment clarifies the distinction between the two types of lines and also contains detailed depictions of the junctions between the component lines in each category.

2. Similar to the NS agreement, in Section 6, dealing with Rates and Indemnification, the parties have added language which applies specifically to a portion of CSX's lines, which operate in the East. In Section 6.A., the parties have stated: "The Government agrees to limit the application of the Eastern Rate basis established by the Interstate Commerce Commission in Trainload Rates on Radioactive Materials, East. R., 362 I.C.C. 756 (1980) *reopened,* 364 I.C.C. 981 (1981) ("the Eastern Case") to the former lines of those Eastern Railroads specifically listed in the Eastern Case. Since the list excludes after acquired carriers, the Eastern Rate basis will be deemed for purposes of this settlement not to apply to the CSX mileage that formerly composed such after acquired lines. . The parties note that the Eastern Rate will apply to the applicable lines of Pan Am Railways which were acquired by and became part of the CSX network in 2022. CSX's rail lines will be divided between "Eastern" and "Non-Eastern" lines for purposes of calculating rates

under the Settlement Agreement in accordance with Attachment No. 6[.]" Attachment No. 6 has a list of all railroad lines which are covered by the Eastern Rate.

3. Also like the NS Agreement, Paragraph 13, regarding Train Service, addresses the method for calculating the cost when the Government shipper expressly requests dedicated train service. The parties have included language regarding the rates for dedicated train service on the Eastern lines. Since the rates for such trains were not prescribed in the Eastern Rate Case and the attachments to the Agreement provide for a substantially reduced dedicated train charge, the Government, for purposes of this settlement, agrees to additions to the Eastern rate basis to make the dedicated rates uniform over the CSX system for shipments of equivalent weight and distance. The Government agrees that a standard dedicated train charge be added to the Eastern rate basis and that an extra charge be added so that the total dedicated train rate on the Eastern lines will equal the total dedicated train freight charges on the non-Eastern lines for the same weight and distance.

4. Paragraph 13.C. addresses Regular Train Service. In the Settlement Agreement, like the NS Agreement, the language states that "The Government shipper has plans to provide rail cars that are structurally suitable for operation at the head end of regular trains. When these cars are available for use, the parties agree to discuss mutually acceptable safety and operating arrangements to operate regular train service on a regular basis . . . Until the Government Shipper provides suitable cars, CSX may provide and charge for dedicated train service in accordance with subparagraph 13.A. If the parties are unable to reach an acceptable arrangement providing for regular train service, Paragraph 15, Dispute Resolution shall be invoked."

5. In Paragraph 6.A., the Settlement Agreement includes additional language regarding updating the costing methodology: "Upon request by either party, the parties shall meet to discuss in good faith potential changes to the use of system average switch minutes in the costing methodology for regular train service. The parties shall jointly determine if a study is necessary before altering the assumed switch minutes used in the costing methodology, and if necessary, design the study and determine whether the parties should independently or jointly perform such study."

6. Finally, the Settlement Agreement adds additional language regarding Price Anderson Act indemnification that was not present in the other agreements. The Agreement clarifies: "As set forth in Price Anderson, such public liability (including any clean-up costs and any loss of use to the extent such damages are permitted by applicable law) shall extend to any CSX-owned property (including but not limited to CSX rights-of-way, yards, rail lines, tracks, locomotives, rolling stock cars, equipment, vehicles, and buildings) (i) that is damaged by a nuclear incident covered by Price Anderson, and (ii) for which atomic/nuclear insurance cannot be obtained or would not be expected."

H. Precis of the Settlement Agreement

1. The parties' goal in their negotiations was to achieve a long-term, system-wide agreement on all rate and service issues relating to spent nuclear fuel and related traffic now moving or likely to move in the future. The parties have succeeded in developing a comprehensive settlement on the movement of Government-sponsored shipments of spent nuclear fuel, radioactive waste, and related traffic. The Settlement Agreement applies to currently moving traffic and to traffic that may arise in the future, for which new rates may be needed (para.25). In addition, the Settlement Agreement was

structured so that it would cover movements to or from unexpected geographic areas or in not-yet-known types of equipment.

2. The parties have reached agreement on a rate methodology based on maximum *RVC* markups over CSX's system-average variable costs computed under the Uniform Rail Costing System ("URCS") for common carrier service (para. 6). The rate methodology applies to movements on CSX's rail lines.

3. The parties have reached agreement on the need for reliable service. The Settlement Agreement specifically discusses elements of the "Basic Services" covered in para. 4, without attempting to resolve the cost of all future service.

4. The parties established rates for "Basic Services" at agreed markups over URCS variable costs, as described in paragraph 6.A. The rate methodology is set forth in detail in Attachments Nos. 1-5 to the Settlement Agreement.

5. The parties agreed that they will separately negotiate rates for "Extra Services," which are activities or services that CSX would not otherwise perform without extra charge in providing common carrier service for hazardous materials, under guidelines described in paragraph 6.B and the methodology of Attachment No. 3 to the Settlement Agreement. "Equitable compensation" is the governing standard between the parties under the Settlement Agreement to compensate CSX for emergency responses (para. 6.C). Specific security measures are set forth in paragraph 10 of the Settlement Agreement.

6. In the event of future disagreement regarding any aspect of the Settlement Agreement, paragraph 15 provides a detailed mechanism for Alternative Dispute Resolution. The parties preserved a role for the Board if disputes that arise cannot be

resolved through the Alternative Dispute Resolution Process. The parties may avail themselves of remedies in other forums only for disputes outside the exclusive or primary jurisdiction of the Board.

7. Under paragraph 25, the Settlement Agreement may be renegotiated if circumstances change in ways that render its continued performance "grossly inequitable" to either party and in a limited number of other circumstances. The parties' belief that the Settlement Agreement covers most eventualities is confirmed in this provision, which allows renegotiation only in limited circumstances.

8. The Settlement Agreement is between the Government, as a shipper, and one railroad, CSX. No private shippers are parties to the proceedings in these dockets.[12] However, as the parties suggest more fully below, the public should be notified of the proposed settlement through publication of an appropriate notice of this Joint Motion and the filing of the Settlement Agreement in the Federal Register prior to the Board's reaching a decision thereon.

9. The parties share the view that the Settlement Agreement is in both parties' interest, that it is in the public interest, and that it should be approved by the Board.

10. The Settlement Agreement does not purport to resolve any of the issues discussed above for any of the other remaining defendants. As the STB determined with respect to the Government's settlements with UP, BNSF, and NS, the terms and obligations of the Government's settlement with CSX will be binding only between the Government and CSX and will not have precedential effect regarding the reasonableness of other railroad parties' rates or their common carrier obligations.

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[12] See footnote 10, *supra.*

August 2005 UP Decision at 6; August 2013 BNSF Decision at 15; NS Decision at 4.

I. The Board Has Jurisdiction to Approve the Settlement Agreement

1. For purposes of this Joint Motion and the Settlement Agreement only, CSX concedes that the Board has jurisdiction to approve the Settlement Agreement and to prescribe rates that encompass naval, commercial, and foreign research reactor spent nuclear fuel, waste shipments, and other related shipments made by or for the Government. This concession is in keeping with the holding in Union Pacific R.R. Co. v. I.C.C., 867 F.2d at 649, that a concession of market dominance removes that issue from the proceedings.

2. Settlement of railroad rate and service controversies that have been pending for long period before this agency and the ICC, its predecessor agency, well serve the rail transportation policy of 49 U.S.C. Sec. 10101. Consistent with Section 10101(1), the Settlement Agreement allows to the maximum extent possible for competition and demand for services to establish reasonable rates. It minimizes Federal regulatory control, consistent with Section 10101(2). It also promotes an efficient rail transportation system, ensures the development and continuation of a sound rail transportation system, and fosters sound economic conditions in transportation. See 49 U.S.C. §§ 10101(3)-(5).

3. Similarly, Board policy incorporates and expressly promotes the settlement of controversies between contesting parties. In his testimony before the Senate Committee on Commerce, Science, and Transportation, Board Chairman Daniel R. Elliott III described his commitment to "foster[ing] private settlement of rail-related disputes," *Hearing on the Federal Role in National Rail Policy,* 6 (September 15, 2010), and to applying the Board's expertise to mediation and arbitration processes in an effort to

"expand[] the culture at the agency from one of merely judicial decision maker to one of engaged problem solver . . . ." *Id.* at 3. He also stated, "I believe that business partners usually reach a more constructive result when they can settle their disputes privately, without litigation," *id.* at 6, and expressed the belief that "[b]ringing a rate case or other case should be a choice of last resort." *Remarks prepared for Association of Transportation Law Professionals,* 3 (June 28, 2010).

4. While some of the movements covered by the Settlement Agreement are and will be local movements on CSX, the majority are expected to be inter-line movements involving two or more participating carriers. The Board, like the ICC before it, has jurisdiction to entertain and approve settlement terms for a carrier participating in a through rate and service. Ford Motor Co. v. ICC, 714 F.2d 1157 (D.C. Cir. 1983); August 2005 decision at 5-6. In cases involving a challenge to a through rate, the Board may permit the dismissal of one party without jeopardizing the complainant's right to proceed against the remaining joint defendants and to forego reparations from the settling carrier. *Id.*

5. The Settlement Agreement will be implemented by CSX tendering rate quotations to the Government pursuant to 49 U.S.C. § 10721 or its successor. Thus, no contract rates are involved here.[13] All rates under the proposed methodology that the Board is asked to approve will be common carrier rates, which are fully subject to Board oversight for rate reasonableness.[14]

[13] No contract rate is involved in the issuance of tenders under Section 10721. Omaha Public Power District v. Burlington Norther, 31.C.C. 2d 123, 133-34 (1986).
[14] See Union Pacific R.R. v. ICC, *supra* note 9, 867 F. 2d at 652.

J. The Board Should Extinguish CSX's Liability for Reparations

1. Extinguishment of CSX's liability is an important element of the settlement. The Settlement Agreement is expressly contingent on the Board's extinguishing CSX's liability for reparations on past shipments of Covered Movements in which it participated (para.23).

2. Full and fair settlement has been reached of CSX's liability for reparations on past shipments. The parties agree that the Board, in approving the Settlement Agreement, should extinguish CSX's liability for reparations on all past shipments both insofar as the Government shipper is involved and insofar as any connecting carrier may seek contribution. However, the Agreement also serves the public interest by not prejudicing the Government's right of action against any remaining defendant. August 2005 Decision at 5-6.

K. The Board Should Prescribe the Agreed-Upon Rate Methodology

1. The parties ask the Board to prescribe the rate methodology described in the Settlement Agreement, specifically in paragraph 6 and 13 and Attachments 1-5 to the Settlement Agreement, as well as in the rate update provisions of paragraph 7. By agreeing to an overall rate methodology, the parties ensure a solution to the issue of rates for CSX's services that will last the full term of the Agreement. August 2005 Decision at 5.[15]

2. The requested prescription is consistent both with the Eastern Rate prescription of I & S Docket 9205 for these commodities[14] and the agreements with UP, BNSF, and NS approved by the Board in 2005, 2013, and 2017, respectively. In the Eastern Rate proceedings, the ICC prescribed maximum RVC's on a commodity-by-commodity basis at various minimum weights as local and proportional rate factors applicable within the

[15] I&S Docket 9205m *supra* note 4.

East, although most movements were through movements destined beyond the lines of the carriers covered by the prescription. Similarly, here the settlement covers but one factor in what are most often through rates. The present settlement essentially broadens the Eastern Rate model to include radioactive shipments of varying weights in varying types of service and equipment with the object of providing for CSX rates and service into the long-term future. The rate structure agreed to here is consistent with that approved by the Board as to UP, BNSF, and NS.

3. The flexibility provided in the service parameters and rate methodology is needed in view of the number and variety of the covered commodities, and the continuing evolution of the origins and destinations for these commodities nationwide. The parties anticipate that the Settlement Agreement will effectively address service features, rate methodology, and update mechanisms for all covered commodities shipped on behalf of the government on CSX rail lines, for the duration of the current Settlement Agreement.

L. The Board Should Establish a Procedural Schedule to Allow Interested Parties to Comment On The Request For Approval of the Settlement Agreement

The Government and CSX believe that it would be appropriate under the circumstances to provide the public with notice and an opportunity to comment on their request for Board approval of their Settlement Agreement, as it did for prior settlements in this proceeding. Accordingly, we respectfully request that, as soon as reasonably possible, the Board publish a notice of the parties' request in the Federal Register. A suggested Form of Notice is attached as Exhibit C. We suggest that comments on the parties' request (including any argument or evidence supporting or opposing approval of the Settlement Agreement) be due 45 days later, with the parties' rebuttal in support of their request (if any) due 30 days thereafter. The proposed schedule would provide interested persons with a full and fair opportunity to comment on the parties' request.

The parties' request and the actions to be taken pursuant to a Board order approving the Settlement Agreement do not constitute a major Federal action within the meaning of the National Environmental Policy Act, 42 U.S.C. §§ 4332 *et seq.,* as defined by 40 C.F.R. § 1508.18 and applied by the Board in 49 C.F.R. § 1105.5. Nor does the requested action by the Board constitute a major regulatory action within the meaning of the Energy Policy and Conservation Act, 42 U.S.C. § 6362(b), or the Board's regulations in 49 C.F.R. Part 1105.

CONCLUSION

On the basis of the foregoing *Joint Motion* and the attached Settlement Agreement, the Government and CSX ask the Board to:

1. Publish notice in the attached form of notice of the filing of this Joint Motion in the Federal Register.
2. Establish the procedural schedule described above.
3. Adopt the attached Order approving the Settlement Agreement, and specifically,
   (a) Prescribe the rate methodology,
   (b) Dismiss CSX from these proceedings,
   (c) Extinguish CSX's liability for reparations, and
   (d) Relieve CSX from any further requirement to participate in these Proceedings, except in response to a properly issued subpoena under the Board's rules.

Respectfully submitted,

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EXHIBIT A

SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT

BETWEEN

U.S. DEPARTMENT OF DEFENSE
U.S. DEPARTMENT OF ENERGY

AND

CSX TRANSPORTATION, INC.

IN

DOCKET NO. 38302S, U.S. DEPARTMENT OF ENERGY AND U.S. DEPARTMENT OF DEFENSE V. BALTIMORE AND OHIO RAILROAD CO., ET AL.,

DOCKET NO. 38376S, U.S. DEPARTMENT OF ENERGY AND U.S. DEPARTMENT OF DEFENSE V. ABERDEEN AND ROCKFISH RAILROAD CO., ET AL.

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ATTACHMENTS

TABLE OF ABBREVIATIONS

AAR	Association of American Railroads
ADR	Alternative Dispute Resolution
CFR	Code of Federal Regulations
CSX or CSXT	CSX Transportation, Inc.
DOD	United States Department of Defense
DOE	United States Department of Energy
DOT	United States Department of Transportation
FRA	Federal Railroad Administration
GSA	General Services Administration
NRC	United States Nuclear Regulatory Commission
STB	United States Surface Transportation Board
URCS	Uniform Rail Costing System
USC	United States Code

SETTLEMENT AGREEMENT

The United States Department of Energy ("DOE") and the United States Department of Defense ("DOD") (collectively, "the Government") and CSX Transportation, Inc. (“CSX” or “CSXT”), parties to these proceedings, hereby agree to settle all claims of the Government against CSX and its predecessor railroads and all issues between these parties remaining for decision in these proceedings in accordance with the terms and conditions set forth below.

1. DEFINITIONS.

A. Commodities. The parties intend by this Settlement Agreement to settle all rate, service, practice, and other issues in and related to these proceedings for all past and future movements over the lines of CSX by or for the Government, including naval, utility, and all other shipments of the following commodities:

(1) nuclear reactor fuel elements, irradiated and requiring protective shielding, also known as spent fuel, as well as irradiated parts or constituents, in shielded containers or casks including spent nuclear fuel moving from a foreign country to the United States for disposal (“Foreign Fuel”);

(2) empty cars, shielded containers, or casks for shipping or handling spent fuel or irradiated parts or constituents;

(3) radioactive waste materials having no reclamation value and requiring either a) protective shielding or b) labeling, marking, or placarding; and

(4) escort and buffer cars used in connection with shipments of any of the commodities listed above.

B. Covered Movements. All such shipments referenced in subparagraph 1.A.(1) through 1.A.(4) will be referred to collectively in this Settlement Agreement as "Covered Movements" provided however that Covered Movements do not include (i) shipments exempted at the time of movement from the regulation of the United States Surface Transportation Board (“STB”) or its predecessor pursuant to 49 U.S.C. § 10505, or (ii) shipments substantially greater than "Plate F" dimensions that weigh in excess of the weight limitations specified in paragraph 8.A. If the parties are unable to agree as to whether a particular shipment is substantially greater than “Plate F” dimensions, either party may seek to resolve the dispute pursuant to the procedures set forth in Section 15 below. Weight and dimensions are subject to CSX approval prior to movement.

C. Government Shipper. "Government Shipper" includes the Government or a Government-designated shipper or receiver, provided, however, that (i) such Government-designated shipper or receiver shall only be a Government contractor or subcontractor unless CSX consent is obtained; or (ii) such Government-designated shipper shall only include utility shippers and utility shipments when title to the commodity to be transported as a Covered Movement is assumed by the Government pursuant to 10 C.F.R. 961.11 Subpart B, Article IV, B.1. Upon request, the Government will provide written confirmation prior to shipment that a shipment is a Covered Movement being tendered by a properly designated Government Shipper and is subject to Price Anderson Act protection, as further described in subparagraph 6.E.

D. Shipment. A "shipment" is a single consignment of one or more railcars (either empty or loaded), trailers, containers or casks moving from one origin to one destination moving on one waybill or freight bill.

2. BILLING AND INVOICING.

A. Bills of Lading. During the pendency of a legally effective prescription by the STB or its successor implementing this Settlement Agreement, CSX will offer on a continuing basis to the Government, based on 49 USC 10721 or its successor, the transportation services further described herein. The Covered Movements to which the rates apply must be shipped by a Government shipper on shipping papers referencing this Settlement Agreement and the order of the STB approving this Settlement Agreement with the following legend: "Transportation under the tender and bill of lading is subject to a Settlement Agreement dated [to be inserted] between the Government and CSX Transportation, Inc. and an order of the Surface Transportation Board in Dockets 38302S and 38376S served [date to be inserted]." The Government Shipper will provide CSX a bill of lading prior to shipment specifying the CSX tender it is shipping under and the transportation and services requested. Shipping papers will include:

(1) Government-issued bills of lading which may be submitted electronically using CSX-provided Electronic Data Interchange ("EDI") software at no cost to the Government Shipper (such electronic bills of lading may be in addition, and are not intended to replace, a bill of lading required in accordance with Federal traffic management policies and procedures); and

(2) commercial bills of lading endorsed with the further following legend: "Transportation under this tender is for the Government and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are to be paid or reimbursed by the Government according to Contract No. [Insert Number]. This may be confirmed by contacting the agency at [Insert telephone number or E-mail address]"; provided, however, that CSX may elect, with no less than 30 days' notice, during the Term of this Settlement Agreement, to require that all Covered Movements be submitted on a Government-issued bill of lading as described in subsection (1) above.

B. Invoices. Regardless of the type of bill of lading used (as described in subparagraph 2.A. above), the Government Shipper authorizes individual carrier invoicing for movements over through routes involving railroads other than CSX. CSX will issue a separate invoice for only its portion of the Covered Movement and collect payment for only its portion of the Covered Movement. CSX, at its option, consistent with Federal agency payment procedures, may tender either paper invoices or electronic invoices for all payments under this Settlement Agreement. Electronic invoices, if used, shall be delivered via EDI using a mutually agreeable clearinghouse.

C. Government Representations. Except as provided in subparagraphs 3.A. and 6.E., the Government agrees and represents that if a Government Shipper ships Covered Movements via CSX or accepts Covered Movements routed via CSX it will do so subject to the terms of this Settlement Agreement. The Government further agrees and represents that the Government has the authority to enter into this Settlement Agreement and to agree to the rates and terms provided under this Settlement

Agreement for the type of bills of lading listed in subparagraph 2.A. above. The Government further represents that it has the authority to petition the STB to prescribe the rate levels and other terms provided in this Settlement Agreement. When the Government gives a Government Shipper responsibility for Covered Movements, it will require the Government Shipper to agree to be bound by the terms of this Settlement Agreement. CSX retains all rights to obtain from the Government Shipper prompt and full payment for CSX's services. If the Government Shipper is a federal entity, then CSX will be paid in accordance with the Prompt Payment Act, 31 U.S.C. 3901 *et seq*., and the payment of transportation statute, 31 U.S.C. 3726, or their successors. If the Government Shipper is a contractor designated by and/or shipping on behalf of the Government, then CSX has the same rights for full and prompt payment as it has against any commercial shipper. CSX may at its option require payment in advance from the Government Shipper when the Government Shipper is a contractor, unless that contractor acting as the Government Shipper has posted a payment bond adequate to ensure that CSX will be paid for all services it provides.

3. SCOPE OF SETTLEMENT AGREEMENT.

A. Other Agreements and Tenders. The Government and CSX may agree to transportation of otherwise Covered Movements on terms and conditions different from those in this Settlement Agreement. Nothing in this Settlement Agreement supersedes the terms and conditions of previously issued tenders applicable to otherwise Covered Movements.

B. Conflicts with Tender Form. In the event of a conflict between the terms of this Settlement Agreement and the terms and conditions contained in the Government tender form, the terms of the Settlement Agreement shall govern in the absence of an agreement to the contrary.

C. Applicability. CSX's obligations under this Settlement Agreement are limited to transportation of Covered Movements over CSX's rail lines (excluding rail lines operated and owned or leased by another carrier) as of the Effective Date of this Settlement Agreement, except as provided for in subparagraph 6.A.(1).

4. SERVICE.

A. General. During the pendency of a legally effective prescription by the STB or its predecessor implementing this Settlement Agreement, CSX undertakes to provide transportation of Covered Movements, including all services normally provided without extra charge by common carriers by rail under 49 USC 11101(a), between all points on CSX's rail lines as described in 3.C. above as of the date of this Settlement Agreement.

B. Routing and Diversion. When CSX serves as originating or terminating carrier, pickup or delivery of a shipment shall occur at the Government Shipper's request on any day of the week on reasonable notice without payment of any surcharge for such pickup or delivery if such request can be accommodated using CSX's regularly scheduled operations. If CSX must provide additional service to accommodate such request, the Government Shipper agrees to pay the applicable charges set forth in CSX Tariff CSXT 8100, subject to the limitation set forth in Section 6.B.(2) below, in effect on the date such service is provided. CSX will control selection of routes internal to its system consistent with subparagraph 4.F. below, but CSX agrees to consult with the

Government when unusual circumstances, such as public demonstrations or other governmental concerns, would make an alternative route preferable.

C. Car Placement and Handling. In making up a train, the escort car, buffer car(s) and loaded cask car(s) should be placed as a group in the train. This group must be placed in the clear of adjacent tracks and rail switch points while in a yard or siding. Escort cars will be used when required by regulation or, in the absence of such regulation, at the discretion of the Government. An escort car moving alone, or a group of cars that includes an escort car, must not be humped or cut off in motion with the engine detached. Government Shipper agrees that any riders in escort cars or buffer cars will comply with CSX's safety rules and operating practices.

D. Equipment Utilization. All cars supplied by the Government Shipper for Covered Movements shall be used in the exclusive service of the Government Shipper, and CSX shall route all such cars and empty casks to the location designated by the Government Shipper. Recognizing that the Government Shipper needs to maintain efficient use of such cars and empty casks, CSX will exert commercially reasonable efforts in accordance with ordinary rail industry practice to prevent such cars and empty casks from being subject to unusual delays. When regular train service is supplied, CSX will transport property with reasonable dispatch in accordance with the Uniform Bill of Lading. CSX does not guarantee delivery within a particular time and does not guarantee rail services on any schedules, published, projected or implied.

E. Limitations. CSX shall not be responsible under this Settlement Agreement for any non-rail transportation, storage, loading or unloading. CSX is not required by this Settlement Agreement to develop any new facilities, such as new rail lines, sidings, or transloading facilities, except as provided in subparagraph 6.D. below.

F. Practices. The rates agreed to herein include CSX's handling and routing of Covered Movements, except for those commodities in subparagraph 1.A.(4) and except as agreed by the parties for commodities in subparagraph 1.A.(2), using the procedures and practices as outlined in AAR Circular OT-55-R or its replacements for other hazardous materials, which currently provide for:

(1) 50 MPH speed restriction

(2) Use of siding or auxiliary track as specified for a "Key Train"

(3) Emergency brake application response as specified for a "Key Train"

(4) Journal wayside detector report response as specified for a "Key Train"

(5) Wayside defective bearing detectors as specified for "Key Routes"

(6) Main track inspection by inspection cars as specified for "Key Routes"

(7) Meeting or passing track as specified for "Key Trains"

(8) Exercising maximum reasonable efforts to achieve coupling of Covered Movements at speeds not to exceed 4 MPH

(9) Covered Movements cut off in motion must be handled in not more than 2-car cuts except for movements involving an escort car, which shall be handled as described in subparagraph 4.C above. Cars cut off in

motion to be directly coupled to a Covered Movement car must be handled in not more than 2-car cuts.

G. Recovery and Cleanup Procedures. CSX will maintain written procedures for recovery and cleanup in the event of an accident or incident. CSX will provide a copy or description of its procedures to the Government within one month of the effective date of this Settlement Agreement. CSX will be entitled to rely heavily on Government technical assistance and participation in recovery and cleanup of any accident or incident. Although the Government is not obligated to commit Government employees to perform recovery and cleanup, the Government will arrange for experienced personnel to guide CSX and its contractors.

H. Notice and Surveillance. CSX will notify the Government Shipper noted in the shipping papers of any problems or accidents or any intention to delay a shipment for weather or other reasons affecting normal operations. CSX will promptly notify the Government Shipper of the exact location at which the carrier intends to hold any shipment beyond normal operational delays. Government Shipper escorts accompanying shipments will maintain 24-hour surveillance of any parked shipment.

I. Regulations and Safety. CSX will comply with all applicable regulations and requirements of the DOT, FRA, and any other governmental entity having authority to promulgate such regulations and requirements. These regulations include, but are not limited to, FRA rail safety regulations regarding track, equipment, and operating personnel (train crews). The Government will ensure that shipments handled under this Settlement Agreement are tendered in compliance with all applicable DOT, FRA, and NRC regulations. The parties agree that the Covered Movements must be transported safely. If either party becomes aware of substantial evidence not heretofore disclosed to the other party indicating that any aspect of the transportation of Covered Movements (including, but not limited to, equipment and operating practices) creates a material risk of an accident or mechanical failure, it must notify the other party immediately. The parties will meet promptly to determine how to respond to the evidence. If the parties cannot agree on a response, the parties will resolve their disagreement using the procedure set forth in paragraph 15 of this Settlement Agreement. During the pendency of the disagreement, CSX or the Government may take actions to mitigate the potential risk. The costs of taking those actions will be allocated in accordance with the resolution of the dispute.

5. RATE PROCESS.

A. Establishment. Upon request, CSX shall provide rates for the Covered Movements in the form of tenders or rate quotations under 49 USC 10721 or its successor from origins (which shall be established and normally used interchange points for hazardous materials) to destinations (which shall be established and normally used interchange points for hazardous materials) specified by the Government Shipper using the methodology of Attachment No. 1 hereto, as supplemented by Attachment Nos. 2, 3, 4, and 5 hereto, in the tender format specified by the Government. Attachment Nos. 1, 2, 3, 4, and 5 are hereby made a part of this Settlement Agreement.

B. Future Tenders. CSX recognizes that shipments may vary in terms of origin, destination, interchange point, loaded or empty cask weight, and tare weight. CSX will provide a tender or rate quotation based on the information supplied within 30 days of receiving a written request from the Government Shipper containing the origin and destination of a movement on CSX and applicable weights.

C. Shipment Forecast. Prior to the start of each calendar year, the Government will provide CSX with a forecast of volumes to be shipped pursuant to this Settlement Agreement in the subsequent year, specifying commodity, origins and destination. During the year, the Government will provide CSX with updates to the forecast.

6. RATES AND INDEMNIFICATION.

A. Basic Services. All tenders or rate quotations shall be based on the most current CSX system average variable unit costs computed under URCS and the methodology set forth in Attachment No. 1, as supplemented by Attachment Nos. 2, 3, 4, and 5 (hereinafter "Shipment Costs"). Upon request by either party, the parties shall meet to discuss in good faith potential changes to the use of system average switch minutes in the costing methodology for regular train service. The parties shall jointly determine if a study is necessary before altering the assumed switch minutes used in the costing methodology, and if necessary, design the study and determine whether the parties should independently or jointly perform such study.

The Government agrees to limit the application of the Eastern Rate basis established by the Interstate Commerce Commission in *Trainload Rates on Radioactive Materials, East. R.*, 362 I.C.C. 756 (1980), *reopened*, 364 I.C.C. 981 (1981) (the “Eastern Case”) to the former lines of those Eastern Railroads specifically listed in the Eastern Case. Since the list excludes after acquired carriers, the Eastern Rate basis will be deemed for purposes of this settlement not to apply to the CSX mileage that formerly composed such after acquired lines. The parties note that the Eastern Rate will apply to the applicable lines of Pan Am Railways which were acquired by and became part of the CSX network in 2022. CSX's rail lines will be divided between "Eastern" and "Non-Eastern" lines for purposes of calculating rates under this Settlement Agreement in accordance with Attachment No. 6, which is attached hereto and made a part hereof.

Rates for all Covered Movements moving over the CSX Eastern lines shall not exceed 2.006 times Shipment Costs. The multiplier (2.006) identified above is the "Applicable Markup" for Covered Movements over the Eastern lines.

Rates for naval shipments with the ultimate origin or destination of Scoville, Idaho, moving over the CSX Non-Eastern lines will be at a rate not exceeding 2.5 times Shipment Costs.

Rates for all other Covered Movements over the Non-Eastern lines shall not exceed 3.51 times Shipment Costs. (Naval spent fuel may be shipped from Scoville to any destination over the Non-Eastern lines at a rate not to exceed 2.5 times Shipment Costs, but reshipment beyond that destination will be subject to a rate not to exceed 3.51 times Shipment Costs). The multipliers (2.5 and 3.51) identified above are the "Applicable Markups" for each type of Covered Movement over the Non-Eastern lines.

To implement the foregoing distinctions in the computation of Shipment Costs at the relevant markups, CSX shall calculate its determination of freight charges for regular train service in Attachment No. 1, lines 129(a) and 130(a), for the fraction of the shipment miles that occur on Eastern lines and the fraction of the shipment miles that occur on Non-Eastern lines, applying the respective Applicable Markups to each.

Costs will be based on actual point-to-point mileage that the Covered Movement travels on CSX rail lines and shall not include mileage on lines owned or leased by connecting Class I, Class II or Class III railroads, except as provided for in subparagraph 6.A.1 below. CSX intends to charge, and the Government Shipper will pay, charges at the maximum rate levels specified above, but CSX may at any time serve notice of reduced rates to meet competition or for any other reason.

(1) Switching Charges. The Government Shipper shall be accorded full benefit of any reciprocal and interline switching agreements in force between CSX and other carriers. If a connecting carrier independently requires CSX to pay amounts for their handling of Covered Movements greater than the per mile Shipment Costs identified herein, such amount, without further markup, will be included in the total CSX-provided rate, and the Government Shipper will be obligated to compensate CSX for such additional amounts, without further markup. CSX will use commercially reasonable efforts to notify the Government of any attempt by a reciprocal or interline switching carrier to require CSX to pay such additional amounts, fees, or costs.

(2) URCS Substitute. The Settlement Agreement shall be subject to any updates, revisions or adjustments to the URCS costing methodology implemented by the STB during the Term of this Settlement Agreement. In the event that the STB or its successors cease to update the URCS costing methodology, the parties will determine the most appropriate substitute costing methodology that most closely matches the economic

structure of URCS methodology or, if unable to agree on a methodology, will renegotiate this Settlement Agreement pursuant to paragraph 25 to the extent necessary to resolve this matter. If a substitute costing methodology is utilized, the ratios to Shipment Costs set forth above and all other ratios to costs in this Settlement Agreement shall be recomputed using the substitute costing methodology for purposes of the subsequent adjustment to rates and other payments. The same procedures set forth in this paragraph will apply if any substitute costing methodology adopted for use hereunder becomes unavailable.

B. Extra Services.

(1) Scope of Extra Services. The rates provided pursuant to subparagraph 6.A. of this Settlement Agreement cover only common carrier transportation services on CSX lines that would be provided without extra charge for other shipments involving hazardous materials, taking into account the weights of Covered Movements and consistent with CSX's obligations as a common carrier; provided, however, that CSX agrees to treat all of the services identified in subparagraphs 4.C., 4.D., 4.F., 4.H., 4.I., and 10.B. as encompassed within CSX's rate for Basic Services. If the Government Shipper asks CSX to perform any other activity or service, other than Emergency Responses, in connection with Covered Movements that CSX would not otherwise perform without extra charge in providing common carrier service for hazardous materials, such activities or services shall be considered "Extra Services." Such Extra

Services shall be provided by CSX as additional common carrier services or in all other respects ancillary services to CSX's common carrier services. CSX will offer such Extra Services, as may be required from time to time, in tenders or rate quotations published under 49 USC 10721 or its successor. Extra Services include, but are not limited to, additional costs of accommodating shipments exceeding Plate "F" dimensions. CSX will not unreasonably withhold Extra Services requested by the Government Shipper; provided, however, that CSX will not be obligated to provide Extra Services that would disrupt normal operations, require it to provide beyond its own line of railroad either service or equipment (except as required for normal interchange), or require CSX to perform non-transportation services, except for upgrading or rehabilitation of track or rail facilities as provided in subparagraph 6.D.

(2) Rates for Extra Services. With the exception of dedicated train service, the charge for which is set by paragraph 13 of this Settlement Agreement, CSX shall be paid for Extra Services as set forth in CSX Tariff CSXT 8100 in effect on the date such Extra Services are provided to the extent charges for such Extra Services are contained therein. The parties understand that the charges set forth in CSX Tariff CSXT 8100 are of general application and are not established specifically for shipments under this Settlement Agreement. If CSX Tariff CSXT 8100 does not contain charges for such Extra Services that are specific to the costs of the request of the Government Shipper, CSX shall be paid for Extra

Services as follows:

(a) The Government Shipper and CSX will negotiate the estimated variable cost of performing the Extra Service ("Extra Expense"). CSX will then establish a rate for the Extra Service as the product of the Extra Expense multiplied by the Applicable Markup as provided in subparagraph 6.A. ("Extra Service Rate"), except as otherwise provided in subparagraphs 6.B.3. through 6.B.5.

(b) To facilitate the process for determining Extra Expense, the following will apply, unless otherwise specifically agreed by the Government and CSX.

(i) Extra Expense for labor, other than for train operations, associated with providing Extra Services will be calculated by application of the methodology in Attachment 3.

(ii) Extra Expense for purchased services associated with providing Extra Services will be based on the expected invoiced cost of purchased service and the estimated expected overhead costs associated with arranging and paying for the purchased service.

(iii) Extra Expense for materials associated with providing Extra Services will be the estimated delivered cost, including taxes and shipping and handling, whether provided by CSX or a third party, and the estimated expected overhead costs associated with providing the materials.

(c) Upon completion of any Extra Service CSX shall provide to the Government Shipper information detailing actual costs incurred in the performance of the Extra Service. The requirement to provide cost-performance information will not be used by the Government Shipper as a basis for an adjustment to the Extra Service Rate for any Extra Services already performed.

(d) In the event that the Government Shipper and CSX cannot agree on the amount of compensation for Extra Services, the matter may be resolved under paragraph 15, Dispute Resolution.

(3) Fees and Permits. The Government Shipper will pay all governmental permits, fees, or charges applicable to CSX's transportation of Covered Movements and, to the extent they constitute Extra Services, for any associated Extra Services. The Extra Service Rate shall be the product of CSX's Extra Expense and a Markup of 1.8.

(4) Advance Requirements by Other Parties. The Government or Government Shipper will pay CSX for Extra Services requested in advance of a shipment by other governmental authorities, including local, state, federal, and tribal authorities, and by persons acting for them, including Government Shippers, to the extent they impose additional costs on Covered Movements and 50 percent or more of the shipments incurring the additional costs on the CSX are Covered Movements. CSX will use

commercially reasonable efforts to notify the Government of each such requirement to give the Government an opportunity to discuss the Extra Services with the other governmental authority or party to verify the need for the Extra Services. The Extra Service Rate shall be the product of CSX's Extra Expense and a Markup of 1.8.

(5) Meetings. If the Government Shipper invites CSX to meetings, exercises, hearings, or other gatherings in connection with Covered Movements, CSX will notify the Government Shipper if it considers the requested participation to be Extra Services or voluntary participation by virtue of its interest in attending. If CSX considers its participation Extra Services, the Government Shipper will then determine whether it wishes CSX to participate. If the Government Shipper requests CSX's participation, the Extra Service Rate will be the product of the Extra Expense and a Markup of 1.8. In the event CSX chooses to participate by having certain of its employees attend and the Government Shipper desires additional CSX personnel to attend, the Government will compensate CSX for the attendance of the additional personnel as Extra Services.

C. Emergency Responses. The Government or Government Shipper will equitably compensate CSX for responding to emergencies arising out of transportation of Covered Movements, including the security emergency responses described in subparagraph 10.C., but excluding recovery and cleanup costs actually indemnified pursuant to subparagraph 6.E. The compensation will be determined considering

CSX's reasonable costs, including applicable overheads, and the Applicable Markup as provided in paragraph 6.A. In the event that the Government Shipper and CSX cannot agree to equitable compensation, the matter will be resolved under paragraph 15.

D. Track and Facility Limitations. If CSX believes that a proposed Covered Movement cannot be handled safely over the track or rail facilities on the proposed route or without damaging the track or facilities or requiring CSX to upgrade or rehabilitate such track or facilities, CSX will confer with the Government Shipper to identify alternatives for handling the movement. Alternatives may include, without limitation, other routes, other loading locations, special practices, speed restrictions, changing the number or type of cars in the movement, and upgrading the track or facilities. If CSX believes it will incur additional operating costs in carrying out an alternative, it will identify such costs to the Government Shipper. If the Government Shipper chooses that alternative, such additional costs will be treated as Extra Services and CSX will be compensated as provided in subparagraph 6.B.2. If CSX believes an alternative requires CSX to upgrade or rehabilitate its track or rail facilities beyond the level necessary for its then-current use in order to handle the Covered Movement, it will identify such costs to the Government. If the Government selects that alternative, the Government will reimburse CSX for the agreed upgrading and rehabilitation costs, including overhead, without any markup. In the event the parties are unable to agree on the reimbursement, the matter will be settled under paragraph 15.

E. Indemnification. Transportation of Covered Movements as defined in subparagraphs 1.A.(1) through (3) of this Settlement Agreement is contingent upon the availability of protection under the Price Anderson Act or its successor (collectively, Price Anderson") for public liability arising from the nuclear hazards associated with the Covered Movements, including a nuclear incident, as defined by Price Anderson, that occurs during or in the course of the Transportation of Covered Movements. As set forth in Price Anderson, such public liability (including any clean-up costs and any loss of use to the extent such damages are permitted by applicable law) shall extend to any CSX-owned property (including but not limited to CSX rights-of-way, yards, rail lines, tracks, locomotives, rolling stock cars, equipment, vehicles, and buildings) (i) that is damaged by a nuclear incident covered by Price Anderson, and (ii) for which atomic/nuclear insurance cannot be obtained or would not be expected. The applicability of this Act will be documented in each bill of lading for a Covered Movement as defined in subparagraphs 1.A(1) through (3) above. For the purposes of Price Anderson coverage, each bill of lading and not this Settlement Agreement shall constitute an indemnification agreement with CSX and each such bill of lading shall be deemed to include such indemnification documentation. No markup will be paid on costs reimbursed under Price Anderson. With respect to costs that are not indemnified by Price Anderson, the Government will further pay the costs, without markup, of cleanup and recovery actions requested by a government entity beyond those contained in the written procedure (see subparagraph 4.G.), including actions required by state, local or tribal authorities. In the event of a lapse in, or material amendment to, Price Anderson, CSX is not obligated to transport such Covered Movements pursuant to the terms and conditions of this Settlement Agreement unless and until Price Anderson is restored or a successor with materially equivalent or better indemnification protection is enacted. If Price Anderson lapses, CSX shall continue to move the commodities covered by this Settlement Agreement but only to the extent required by its common carrier obligation, in which case CSX will determine the terms, including the rate, for such service, in a manner consistent with its common carrier obligation but irrespective of the terms of this Settlement Agreement.

Nothing in this Settlement Agreement shall prevent CSX from contesting before the STB or any successor agency whether there is any common carrier obligation to transport the commodities covered by this Settlement Agreement.

7. UPDATES.

CSX shall update Attachments No. 1, No. 2, No. 3, No. 4, and No. 5 when the STB releases new URCS and make-whole factors. The updated attachments shall be effective January 1 and be released after the STB releases a new URCS and make-whole factors for the calendar year two years prior to the January 1 adjustment date. If any other data needed for the update are not available to make the calculation, the update shall be made within 30 days after the information becomes available. The updated attachments shall be used to generate tenders and rate quotations, as requested by the Government, and the updated rates shall be effective January 1, retroactively if necessary.

8. GOVERNMENT-SUPPLIED CARS.

A. Requirements. Future shipments of the Covered Movements shall be on cars supplied by the Government Shipper except for Government shipments of returned foreign research reactor fuel tendered in shipper-supplied containers and casks for movement on carrier-supplied cars. The Government Shipper will supply all escort cars and will endeavor to supply all buffer cars required for safe movement. Gross weight on rail of a loaded cask car shall not exceed 789,000 pounds, or, as currently limited by AAR Interchange Rules, 65,750 pounds per axle load for a double three axle truck arrangement and 6 ½ by 12 journal bearings provided that track conditions allow for such weight. This specified axle loading limit and corresponding truck arrangement, and journal size are subject to change pursuant to changes in the AAR Interchange Rules. All cars supplied by the Government Shipper shall be designed and maintained suitable for interchange service and will comply with AAR Construction Standards at the time built and AAR Interchange Rules in effect at the time of the movement.

B. Cars. This Settlement Agreement encompasses transportation in freight cars that are not now in service, some of which have not yet been designed or built. Safe transportation of those cars may require operating, train placement, route, or other restrictions and may not be possible in regular train service. The parties will cooperate to define safe and practical designs for those cars and safe operating practices for transportation of the cars. The car design must be in accordance with then effective AAR Interchange Rules and AAR mechanical specifications published in M-1001 or their successors, including but not limited to AAR Standard S-2043.

In the absence of new escort cars, if the older escort cars that were not designed under AAR's S-2043 standard are used for a particular shipment and must be grouped with the loaded cask cars, operation of the train will result in dedicated train charges for that shipment, pursuant to paragraph 13.C below. When escort cars designed to AAR's S-2043 standard are used in service for a shipment, regular train rates will apply for that shipment, pursuant to paragraph 13.C below.

9. MILEAGE ALLOWANCES.

The rates provided under this Settlement Agreement assume that no mileage allowance or car hire will be paid by CSX for any car. If CSX must pay a mileage allowance or car hire for a car provided by the Government Shipper or at the Government Shipper’s request, the payments will be reimbursed by the Government Shipper including a 1.8 markup.

10. SECURITY.

A. Coordination. The Government Shipper will maintain ongoing liaison with CSX's police department. CSX police will provide a 24-hour security emergency contact number. CSX acknowledges that shipments of spent fuel require security precautions and therefore require Government Shipper escorts and may require extra security efforts by CSX. The Government Shipper will advise CSX's police department via facsimile message of a shipment's particulars, including the level of the protection required for such shipment and the Government Shipper escorts accompanying the shipment, approximately one week prior to every shipment. CSX's police department should share shipment information only with those other railroad personnel and with local and state law enforcement personnel with a "need-to-know" under NRC and railroad security procedures. Under NRC rules (10 CFR 73.21), information protection procedures employed by state and local police forces are deemed to meet NRC requirements for the protection of safeguards information.

B. Communication and Surveillance. CSX will provide railroad radio frequencies for programming on radios supplied by the Government Shipper and carried by shipment escorts. The escorts will communicate with train crews only out of operational necessity or in the event of an emergency. Escorts accompanying shipments will maintain 24-hour surveillance of shipments. As provided in subparagraph 4.C., CSX will handle and switch the escort vehicle with the container cars so that the escorts can maintain this surveillance.

C. Security Emergency Response. In the event of a security-threatening situation, Government Shipper escorts will request through the train crew, local railroad officials, or the 24-hour security number, that CSX initiate a security emergency response to the situation. CSX's security emergency response will use commercially reasonable efforts on CSX property to:

(1) Ensure that the spent fuel railcars are not moved without proper authority;

(2) Minimize any malicious activity;

(3) Prevent any attempted theft or diversion;

(4) Maintain the well-being of the Government Shipper escorts; and

(5) Resume shipment movement as quickly as safe movement is possible.

11. ESCORT CARS.

Rates for escort cars or cabooses provided by the Government Shipper will be calculated in accordance with the methodology described in Attachment No. 1, as supplemented by Attachment Nos. 2, 3, 4, and 5. The rate includes all escort vehicle movement charges and passenger fare(s) for any accompanying escort(s) or attendant(s).

12. BUFFER CARS.

Rates for buffer cars supplied by the Government Shipper will be calculated in accordance with the methodology described in Attachment No. 1, as supplemented by Attachment Nos. 2, 3, 4, and 5. CSX may elect to add as additional buffer cars to the Covered Movement group empty cars or cars carrying dry freight meeting DOT requirements, provided such cars do not impede observation of loaded cask cars by the escorts. CSX's insertion of additional buffer cars shall be at its own expense. Rates for buffer cars requested by the Government Shipper, for whatever reason, including the unavailability of Government Shipper buffer cars or the implementation of alternatives selected by the Government under subparagraph 6.D., will be calculated in accordance with the methodology described in Attachment No. 1, as supplemented by Attachment Nos. 2, 3, 4, and 5.

13. TRAIN SERVICE.

A. Charge for Dedicated Train Service. The Covered Movements will move at regular train service rates except when the Government Shipper expressly requests, or if government regulations require, the use of special or dedicated trains. The Government agrees that, due to consist dynamics, and in the absence of mutually acceptable arrangements to separate the cask from the escort car, operation of the current fleet of DODX escort cabooses (DODX 900-905) will result in dedicated train charges. The dedicated train rate shall include the regular train rate plus a surcharge as shown in Attachment No. 1. The surcharge is the difference between 2022 URCS costs per train-mile for a dedicated train and the costs per train-mile for a shipment of six loaded cask cars (plus buffer and escort cars) in a regular train based on CSX's

2022 system average train characteristics. The cost per dedicated train mile is to be revised up or down annually by multiplying it by a ratio of the latest URCS costs divided by the 2022 URCS costs as shown in Attachment No. 2.

The dedicated train surcharge over Non-Eastern lines will be governed by the computations in the attachments as described above. As for the dedicated train surcharge applicable to the Eastern lines, since the rates for dedicated train service were not prescribed in the Eastern Rate case, and since the attachments to this Settlement Agreement provide a substantially reduced dedicated train surcharge, the Government for purposes of this settlement agrees to additions to the Eastern rate basis to make the dedicated rates uniform over the CSX system for shipments of equivalent weight and distance. Specifically, the Government agrees to the addition of (1) a standard dedicated train surcharge to be added to the Eastern rate basis, and in addition (2) an extra charge so that the total dedicated train rate on the Eastern lines will equal the total dedicated train freight charges on the Non-Eastern lines for the same weight and distance, as shown in Attachment No. 1 hereto.

B. Determination of Regular and Dedicated Train Service. When the Government Shipper has not requested special or dedicated trains, CSX reserves the right to move the Covered Movements i) in dedicated trains at regular train rates, ii) in regular trains at the rear end of trains; or iii) in regular trains if the parties develop mutually acceptable arrangements to separate casks from escort cars. For the purposes of this Settlement Agreement, the following are specific examples of operational conditions that would not by themselves result in dedicated train charges to the Government:

(1) Operation of freight cars with otherwise AAR-approved trucks that do not allow for wayside defective bearing detection; or

(2) AAR adoption of a performance standard requiring movement of spent nuclear fuel in dedicated trains as envisioned by AAR draft circular C-9149 dated May 23, 2000.

C. Regular Train Service. The Government Shipper has plans to provide escort and buffer rail cars that are structurally suitable for operation at the head end of regular trains. When these cars are available for use, the parties agree to discuss mutually acceptable safety and operating arrangements to operate in regular train service on a regular basis, subject to the reservations in subparagraph 13.B. Until the Government Shipper provides suitable cars for a particular shipment, CSX may provide and charge for dedicated train service for that shipment in accordance with subparagraph 13.A. If the parties are unable to reach an acceptable arrangement providing for regular train service, paragraph 15, Dispute Resolution shall be invoked.

D. Dedicated Train Service. Where the Government Shipper requests or is charged for special or dedicated trains, such trains shall be used in the exclusive service of the Government Shipper. A dedicated train shall move on CSX within a transit time agreed to between CSX and the Government Shipper.

14. REPARATION CLAIMS AND RATE CHALLENGES EXTINGUISHED.

In consideration of the settlement of the issues herein, CSX will not pay reparations for any shipment subject to the complaints in the cases settled by this Settlement Agreement. The rates established pursuant to this Settlement Agreement will not be subject to challenge as unreasonable or otherwise unlawful under Title 49 of the United States Code or on any other basis, whether or not such basis for a challenge is in effect on the date of this Settlement Agreement or becomes available later. In a proceeding against other railroads to establish the unreasonableness of a through rate involving CSX, the Government may challenge the entire rate. The Government shall not question the CSX local or proportional rate as a factor in a through rate. The parties agree that CSX will not be required to appear in rate proceedings initiated by the Government against other carriers involving Covered Movements. Nothing in this Settlement Agreement in any way prejudices the Government's right of action against any connecting carrier.

15. DISPUTE RESOLUTION.

A. Alternative Dispute Resolution. The parties recognize that methods for fair and efficient dispute resolution are essential to the successful implementation of this Settlement Agreement. To facilitate the prevention and early resolution of disputes, the parties agree to the following ADR provisions.

(1) Negotiation. The parties shall use their best efforts to informally resolve any dispute, claim, question, or disagreement (herein "Claim") by consulting and negotiating with each other in good faith, recognizing their mutual interests, and attempting to reach a just and equitable solution satisfactory to all parties.

(2) Referral to Neutral. If an agreement cannot be reached through informal negotiations, then such Claim shall be referred to a "neutral" with relevant expertise chosen by the parties. The parties will use their best efforts to select a qualified "neutral" acceptable to both parties. If they are

unable to agree, they will ask the STB to designate a qualified "neutral." The "neutral" will consider the Claim under such procedures as he or she may establish. The neutral will serve on the parties a non-binding advisory opinion, but it will not be admissible in evidence in any subsequent proceeding. The costs of the neutral will be equally divided between CSX and the Government.

B. Petition with STB. If disputes arise that cannot be resolved through the ADR process, either party may (1) file a petition with the STB or its successor or (2) pursue whatever other remedies are available at law for disputes outside the exclusive or primary jurisdiction of the STB or any successor, within 60 days of service of the neutral's opinion from the ADR process. The parties agree that they will ask the STB, its successor agency, or any other forum to resolve any petition arising under this Settlement Agreement in a manner that carries out the intent and terms of this Settlement Agreement. The STB, its successor agency, or any other forum should construe the parties' obligations in a manner consistent with CSX's common carrier obligations under applicable federal law except as expressly modified herein.

16. GENERAL SERVICES ADMINISTRATION.

Nothing in this Settlement Agreement shall be deemed to alter or supersede the authority reserved for the General Services Administration.

17. FORCE MAJEURE.

In the event any party is unable to meet its obligations under this Settlement Agreement as a result of acts of God, war, insurrection, strikes, accidents, significant risk of disruption or terrorist acts, or other like causes beyond its control, the obligations of the party affected by the force majeure condition shall be suspended for the duration of the condition; provided, however, that the affected party shall make all reasonable efforts to continue to meet its obligations for the duration of the force majeure condition; and provided, further, that the party declaring the force majeure shall promptly notify the other parties by wire, fax or e-mail of when the force majeure began, the nature of the force majeure condition, and when it has been terminated. The suspension of any obligations owing to force majeure shall not affect any rights accrued under this Settlement Agreement prior to the force majeure condition.

18. RELEASED RATES.

The lading and casks that move under this Settlement Agreement and the associated rate quotations or tenders are subject to a released valuation of 40 cents per pound.

19. SUCCESSORS AND ASSIGNS.

This Settlement Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, assigns, agents, and contractors.

20. COOPERATION.

The parties agree to cooperate to present this Settlement Agreement to the STB for its approval within 10 days of the signing of the Settlement Agreement and to seek approval and adoption of the Settlement Agreement and dismissal of CSX from the complaints with prejudice.

21. EFFECTIVE DATE.

The Settlement Agreement shall become effective upon the effective date of the approval of the agreement by the STB.

22. NOTICE.

All notices required by this Settlement Agreement to be served by any party shall be sent to the following:

To CSX:

CSX Transportation, Inc.
500 Water Street, J-150
Jacksonville, Fl 32202
Attention: Jason Marques, Assistant General Counsel

To DOE:

United States Department of Energy
Office of the General Counsel
1000 Independence Avenue, SW
Washington, DC 20585
Attention: Assistant General Counsel for Litigation
Fax No.: (202) 586-3274

To DOD:

Commander
CODE NAVSEA 08U/ATTN:
Director of Regulatory Affairs
Naval Sea Systems Command
1240 Isaac Hull Avenue, SE Stop 8036
Washington Navy Yard, DC 20376-8036
Fax No.: (202) 781-6427

23. RELEASE.

A. STB Order. The intent of this Settlement Agreement is to extinguish all claims against CSX and its predecessors under the complaints in these proceedings and to establish legally applicable rates for future Covered Movements that are not subject to challenge. This Settlement Agreement is contingent on adoption of the Settlement Agreement by the STB and issuance of an STB order extinguishing all liability of CSX and its present and former subsidiaries for freight charges for Covered Movements and prescribing the rate methodology of Attachment Nos. 1, 2, 3, 4, and 5. hereto.

B. Release. Upon becoming effective, this Settlement Agreement shall release CSX and all of its predecessors, together with their subsidiaries, from any liability to the Government for all claims arising in these proceedings. The release of CSX shall not operate to release any other party to these proceedings from liability, and the Government hereby fully preserves and intends to enforce its claims against all other carriers involved in these proceedings; provided, however, that the Government agrees that it will not seek to recover from any other defendant in these proceedings any portion of freight charges collected for transportation on CSX or predecessor railroads released from liability for transportation over the released railroads; and provided, further, that in the event the Government recovers reparations from other rail carriers for freight charges collected for transportation on CSX or predecessor railroads released from liability and those carriers in turn recover any or all of those reparations from CSX, the Government will reimburse CSX. Except as required by FRA and STB regulations, CSX is not required to maintain documents pertaining to its transportation of Covered Movements prior to the effective date of this Settlement Agreement.

24. WAIVER.

The failure of any party to enforce any provision of this Settlement Agreement or to prosecute any default shall not be construed as a waiver of the provision nor bar prosecution of that default unless so indicated in writing.

25. TERM AND RENEGOTIATION.

The term of this Settlement Agreement shall be for 25 years from the Effective Date of this Settlement Agreement. Thereafter, the Settlement Agreement shall continue in effect for additional 5-year periods until one party has given the other party one-year written notice of its desire to terminate the Settlement Agreement at the end of the current period.

Recognizing that this Settlement Agreement is intended to apply for an unusually long span of time, the Government or CSX may demand and obtain renegotiation of the Settlement Agreement if circumstances affecting this Settlement Agreement change in ways that render continued performance of the Settlement Agreement grossly inequitable to either party. If after execution of the Settlement Agreement, the Price Anderson Act is modified or a successor is enacted such that protection for CSX is substantially reduced, or CSX's cost of obtaining such indemnification is substantially increased, CSX may at its option require renegotiation of the Settlement Agreement. If the STB or its successor ceases to update URCS and the parties cannot find an appropriate substitute for URCS, the Settlement Agreement will be renegotiated to adopt a replacement for URCS. The parties agree to renegotiate in good faith. If the parties are unable to reach agreement, they agree to resolve their disagreements by applying the procedures set forth in paragraph 15 above.

26. AVAILABILITY OF APPROPRIATED FUNDS LIMITATION.

Except for public liabilities indemnified under the Price Anderson Act or its successors, the Government's liability under subparagraphs 4.G., 6.B., 6.C., 6.D., and 6.E. of this Settlement Agreement is subject to the availability of appropriated funds at the time a contingency occurs; provided, however, that CSX is not required to provide any service or facility for which the Government would otherwise be responsible under this Settlement Agreement but for which it is unable or unwilling to pay; and provided, further, that if transportation of a Covered Movement cannot occur legally or safely without such service or facility, CSX shall not be required to provide such transportation until arrangements have been made for payment. Nothing in the Settlement Agreement shall be construed as implying the Congress will, at a later date, appropriate funds sufficient to meet deficiencies.

27. CAPTIONS.

All paragraph headings herein are inserted for convenience only and shall not affect any construction or interpretation of this Settlement Agreement.

28. INTEGRATION.

Except as provided in subparagraph 3.A., all prior understandings and agreements between the parties hereto are merged in this Settlement Agreement, which alone fully and completely expresses the parties' intent and understanding.

Executed this 17th day of October, 2025.

Stephen C. Skubel
Assistant General Counsel
for Litigation
U.S. Department of Energy

Jason Marques
Assistant General Counsel
CSX Transportation, Inc.

Sarah McKenzie
Counsel
Naval Reactors
Department of the Navy

Kyle J Smith
U.S. Department of Defense
Regulatory Counsel
Department of the Army

Summary of Shipment Costs and Proposed Rates for Regular and Dedicated Train Services - CSXT

Blue Boxes are proposed rates

Calculated fields are highlighted in orange

Line	Description	Source/Calculation	Value	
1.	**Determination of Parameters of Specific Covered Movement**			
101a	Gross Weight on Rail - Car # 1 (tons)	Inputs_Current - Escort Car "Caboose"	27.90	
101b	Gross Weight on Rail - Car # 2 (tons)	Inputs_Current - Buffer Car	44.60	
101c	Gross Weight on Rail - Car # 3 (tons)	Inputs_Current - M-290	351.65	
101d	Gross Weight on Rail - Car # 4 (tons)	Covered Movement-specific parameter	-	
101e	Gross Weight on Rail - Car # 5 (tons)	Covered Movement-specific parameter	-	
101f	Gross Weight on Rail - Car # 6 (tons)	Covered Movement-specific parameter	-	
101g	Gross Weight on Rail - Car # 7 (tons)	Covered Movement-specific parameter	-	
101h	Gross Weight on Rail - Car # 8 (tons)	Covered Movement-specific parameter	-	
101i	Gross Weight on Rail - Car # 9 (tons)	Covered Movement-specific parameter	-	
101j	Gross Weight on Rail - Car # 10 (tons)	Covered Movement-specific parameter	-	
	etc.			
101	Shipment Total Gross Weight on Rail	Sum Ls. 101a - 101j	424.15	
102	Cars handled	Covered Movement-specific parameter	3	
103	Number of Originations/Terminations	Inputs_Current (Covered Movement-specific parameter)	1	
104	Number of Interchanges	Inputs_Current (Covered Movement-specific parameter)	1	
105a1	Shipment miles	Inputs_Current (Covered Movement-specific parameter)	1,080	*Newport News to East St. Louis - all under Eastern Rate Prescription*
105a2	Shipment miles Eastern	Inputs_Current (Former CSX, CR, P&LE RF&P miles)	1,080	
105a3	Shipment miles "non- eastern"	Inputs_Current (Former SBD miles)	-	
105b	Dedicated train miles	Inputs_Current (Covered Movement-specific parameter)	1,080	
2.	**Latest System Average Factors**			
106a	Switch minutes per car - terminal	Attachment No. 2 - Line 112	13.35	
106b	Switch minutes per car - interchange	Attachment No. 2 - Line 113	4.38	
106c	Switch minutes per mile - intermediate	Attachment No. 2 - Line 114	0.01	
107	Trailing weight - regular train	Attachment No. 2 - Line 104	6,667	
108	Average locomotives - regular train	Attachment No. 2 - Line 105	2.03	
3.	**Factors for Specific Covered Movement**			
109	Shipment Gross Ton Miles	L.101 x L.105a1	458,082	
110	Shipment Train Miles	(L.101/L.107) x L.105a1	68.706	
111	Shipment Locomotive Unit Miles	(L.101/L.107) x L.105a1 x L.108	139.610	
112	Shipment Cars Originated or Terminated	L.102 x L.103	3	
113a	Shipment Switch Engine Minutes - Dedicated Train	L.102 x (L.103xL106a + (L.104xL.106b) + (L.105a1-L.105b)xL.106c)	53.181	
113b	Shipment Switch Engine Minutes - Regular Train	L.102 x (L.103xL106a + L.104xL.106b + (L.105a1 x L.106c))	92.061	
4.	**Latest Unit Cost Factors**			
114	Cost per Gross Ton Mile	Attachment No. 2 - Line 106	0.00828	
115	Cost per Train Mile	Attachment No. 2 - Line 107	12.24395	
116	Cost per Locomotive Unit Mile	Attachment No. 2 - Line 108	12.51659	
117	Cost per car handled	Attachment No. 2 - Line 109	1.18592	
118	Cost per car originated or terminated	Attachment No. 2 - Line 110	14.57130	
119	Cost per switch engine minute	Attachment No. 2 - Line 111	7.57498	
120	Surcharge per Dedicated Train Mile	Attachment No. 2 - Line 118	12.37290	
5.	**Cost for Specific Covered Movement**			
121	Gross Ton Mile Cost	L.109 x L.114	3,794.56	
122	Train Mile Cost	L.110 x L.115	841.23	
123	Locomotive Unit Mile Cost	L.111 x L.116	1,747.44	
124	Cars Handled Cost	L.102 x L.117	3.56	
125	Cars Originated or Terminated Cost	L.112 x L.118	43.71	
126a	Switch Engine Minute Cost - Regular Train	L.113b x L.119	697.36	
126b	Switch Engine Minute Cost - Dedicated Train	L.113a x L.119	402.85	
127	Dedicated Train Mile Surcharge	L.105b x L.120	13,362.73	
128a	Total Shipment Cost -- Reg Train	Sum Ls.121 through 126a	7,127.86	
128b	Total Shipment Cost -- Dedicated train	Sum L.121 through L.125 + Line 126b + Line 127	20,196.08	

6. Determination of Freight Charge

Line	Description	Source/Calculation	Value		
129a	Freight Charge - Category A Regular Train	[((L128a X L105a2/L105a1) x 2.006)]+[((L128a x L105a3/L105a1) x 2.50)]	$ 14,298.49	<<<-------- navy	= Reg Train Cost x Eastern Miles Proportion x 2.006 + Reg Train Cost x Non-Eastern Miles Proportion x 2.5
129b	Freight Charge - Category A Dedicated Train	Line 128b x 250%	$ 50,490.20	<<<-------- navy	= Dedicated Train Cost x 2.5
130a	Freight Charge - Category B Regular Train	[((L128a X L105a2/L105a1) x 2.006)]+[((L128a x L105a3/L105a1) x 3.51)]	$ 14,298.49	<<<-------- non-navy	= Reg Train Cost x Eastern Miles Proportion x 2.006 + Reg Train Cost x Non-Eastern Miles Proportion x 3.51
130b	Freight Charge - Category B Dedicated Train	Line 128b x 351%	$ 70,888.24	<<<-------- non-navy	= Dedicated Train Cost x 3.51
131a	Freight Charge - Category C Regular Train	Line 128a x 180%	$ 12,830.15	<<<-------- positioning costs	= Reg Train Cost x 1.8
131b	Freight Charge - Category C Dedicated Train	Line 128b x 180%	$ 36,352.94	<<<-------- positioning costs	= Dedicated Train Cost x 1.8

Note: The calculation of shipment cost for an actual Covered Movement will depend on the actual parameters, including number and weight of cars, distance on CSXT, number of interchanges, etc. The values for system-average factors and unit cost factors reflect 2022 URCS and 2022 make-whole factors and are applicable for movements in 2024 until superseded by subsequent URCS and subsequent make-whole factors.

Summary of Shipment Costs and Proposed Rates for Regular and Dedicated Train Services - CSXT

Notes and Explanations:

Freight Charge - Category A applies only to U. S. Navy Covered Movements to or from Scoville, ID except for those movements of buffer cars or escort cars described in Category C below.

Freight Charge - Category B applies to all other Covered Movements except for those movements of buffer cars or escort cars described in Category C below.

Freight Charge - Category C applies to buffer and/or escort cars moving alone when immediately preceded by a Category A or Category B move.

Covered Movement-specific parameter as a source refers to operating parameters or other items specific to the shipment being rated. The values shown in lines 101a through 105b, 121 through 127, and 129a through 131 b of this attachment are for illustrative purposes only.

Determination of System Average Factors and Unit Cost Factors - CSXT

Line	Description	Source/Calculation	Latest Year = 2022 Value
1.	**Latest System-Average Factors (R-1)**		
101a	Train miles - local (way)	R-1, Sch. 755, Line 3, Col. (b)	10,943,217
101b	Train miles - manifest (through)	R-1, Sch. 755, Line 4, Col. (b)	33,587,190
101	Train miles - regular trains	L.101a+L.101b	44,530,407
102a	Locomotive unit miles - local (way)	R-1, Sch. 755, Line 9, Col. (b)	17,518,919
102b	Locomotive unit miles - manifest (through)	R-1, Sch. 755, Line 10, Col. (b)	72,945,682
102	Locomotive unit miles - regular trains	L.102a+L.102b	90,464,601
103a	Gross ton miles - local (way)	R-1, Sch. 755, Line 100, Col. (b)	32,051,147
103b	Gross ton miles - manifest (through)	R-1, Sch. 755, Line 101, Col. (b)	264,845,662
103	Gross ton miles - regular trains	L.103a+L.103b	296,896,809
104	Trailing weight - regular train	L.103 / L.101*1,000	6,667.3
105	Average locomotives - regular train	L.102 / L.101	2.032
2.	**Latest Unit Cost Factors**		
106a	Cost per gross ton mile - OE	E1p1L101C1	0.0036495
106b	Cost per gross ton mile - DL	E1p1L101C2	0.0012995
106c	Cost per gross ton mile - ROI	E1p1L101C3	0.0033346
106	Cost per gross ton mile - Total	L.106a + L.106b + L.106c	0.00828359
107a	Cost per train mile - other than crew - OE	E1p1L103C1	0.82249
107b	Cost per train mile - other than crew - DL	E1p1L103C2	(0.00103)
107c	Cost per train mile - other than crew - ROI	E1p1L103C3	0.00480
107d	Cost per train mile - crew	E1p1L104C1	11.41770
107	Cost per train mile - Total	L.107a + L.107b + L.107c + L.107d	12.24395
108a	Cost per locomotive unit mile - OE	E1p1L105C1	10.09174
108b	Cost per locomotive unit mile - DL	E1p1L105C2	0.85689
108c	Cost per locomotive unit mile - ROI	E1p1L105C3	1.56796
108	Cost per locomotive unit mile - Total	L.108a + L.108b + L.108c	12.51659
109a	Cost per car handled - OE	E1p1L106C1	1.18592
109b	Cost per car handled - DL	E1p1L106C2	-
109c	Cost per car handled - ROI	E1p1L106C3	-
109	Cost per car handled - Total	L.109a + L.109b + L.109c	1.18592
110a	Cost per car originated or terminated	E1p1L109C1	11.62183
110b	Make-whole adjustment	E2p3L302C2	2.94947
110	Cost per car originated or terminated	L.110a + L.110b	14.5713
111a	Cost per switch engine minute - OE	E1p1L111C1	4.95276
111b	Cost per switch engine minute - DL	E1p1L111C2	0.60450
111c	Cost per switch engine minute ROI	E1p1L111C3	2.01773
111	Cost per switch engine minute - Total	L.111a + L.111b + L.111c	7.57498
3.	**Latest System Average Factors (STB)**		
112a	Add-on per industry switch event	E2p3L301C2	49.07026
112b	Additional minutes	L.112a / L.111	6.478
112c	Average switch engine minutes - terminal	E2p1L118C25	6.86952
112	Revised switch engine minutes - terminal	L.112b + L.112c	13.348
113a	Add-on per car interchanged	E2p3L303C2	4.54882
113b	Additional minutes	L.113a / L.111	0.601
113c	Average switch engine minutes - interchange	E2p1L118C26	3.77823
113	Revised switch engine minutes - interchange	L.113b + L.113c	4.379
114a	Add-on per thousand car miles	E2p3L304C2 + E2p3L305C2	20.29206
114b	Additional minutes per mile	(L114a / L.111) / 1000	0.003
114c	Average switch engine minutes - Intermediate	E2p1L118C29	1.71738
114d	Distance between Intermediate switches	E2p1L118C23	200
114e	Average switch minutes per mile - Intermediate	L.114c / L.114d	0.009
114	Revised switch minutes per mile - Intermediate	L.114b + L.114e	0.012

1/ STB private car factor to be used is dependent on whether the shipment is a single car or multiple car shipment.

Determination of System Average Factors and Unit Cost Factors - CSXT

Cost Per Dedicated Train Mile - CSXT

Line	Description	Source/Calculation	Value
		Latest Year =	**2022**
1.	**Dedicated Train Surcharge Per Mile - 2022 Base**		
115	Dedicated Train surcharge per mile (2022 base)	Attachment No. 4 - Line 15	12.3729
2.	**2022 URCS Unit Costs Used to Develop Dedicated Train Surcharge Per Mile - 2022 Base**		
116a	Cost per train mile - other than crew - OE	E1L103C1 - 2022	0.82249
116b	Cost per train mile - other than crew - DL	E1L103C2 - 2022	(0.00103)
116c	Cost per train mile - other than crew - ROI	E1L103C3 - 2022	0.00480
116d	Cost per train mile - crew	E1L104C1 - 2022	11.41770
116e	Cost per locomotive unit mile - OE	E1L105C1 - 2022	10.09174
116f	Cost per locomotive unit mile - DL	E1L105C2 - 2022	0.85689
116g	Cost per locomotive unit mile - ROI	E1L105C3 - 2022	1.56796
116	Cost per mile - Total	Sum L.116a through L.116g	24.761
3.	**Latest URCS Unit Costs**		2022
117a	Cost per train mile - other than crew - OE	E1L103C1 - Current Year	0.82249
117b	Cost per train mile - other than crew - DL	E1L103C2 - Current Year	(0.00103)
117c	Cost per train mile - other than crew - ROI	E1L103C3 - Current Year	0.00480
117d	Cost per train mile - crew	E1L104C1 - Current Year	11.41770
117e	Cost per locomotive unit mile - OE	E1L105C1 - Current Year	10.09174
117f	Cost per locomotive unit mile - DL	E1L105C2 - Current Year	0.85689
117g	Cost per locomotive unit mile - ROI	E1L105C3 - Current Year	1.56796
117	Cost per mile - Total	Sum L.117a through L.117g	24.761
4.	**Determination of Cost Per Dedicated Train Mile - Reflecting Latest URCS Unit Costs**		
118	Cost per Dedicated Train Mile	L.115 x L.117 / L.116	12.3729

**This data feeds from other worksheet sources.
Does not require updating**

Notes and Explanations

URCS (except for Lines 115 and 116) and STB make-whole factors as updated annually by the STB. Values in Line 116a through 116g and the resulting total will not be updated since they were used for the development of the 2022 base year surcharge shown in Line 115.

R-1 values to be updated annually based on CSXT's R-1 report underlying STB's URCS.

Updated factors will be used effective the first of the second year following release (e.g. 2022 URCS, 2022 Annual Report Form R-1 and 2022 make-whole factors would be used for rates effective January 1, 2024).

The Latest Year values shown are for illustrative purposes and will be updated annually.

Methodology For Determining Labor Charges for Extra Services - CSXT

Line	Description	Source/Calculation	Value 2022	Hours Required	Total Amount
1	**Maintenance of Way & Structures**				
1a	Fringe Benefits - Running	R-1, Sch 410, L. 112, C. (f)	$98,613		
1b	Fringe Benefits - Switching	R-1, Sch 410, L. 113, C. (f)	$0		
1c	Fringe Benefits - Other	R-1, Sch 410, L. 114, C. (f)	$53,027		
1d	Fringe Benefits - Total	L1a + L1b + L1c	$151,640		
1e	Salary & Wages	R-1, Sch 410, L. 151, C. (b)	$323,383		
1f	Fringe Benefit additive	L1d / L1e	46.9%		
1g	Straight Time Hours	Wage Form A, 300(4)	8,825,269		
1h	Overtime Hours	Wage Form A, 300(5)	1,654,575		
1i	Total Hours worked	L1g + L1h	10,479,844		
1j	Total Compensation (000)	Wage Form A, 300(11)	$464,214		
1k	Comp. per hour incl fringe benefits	(L1j x 1000/L1i) x (1 + L1f)	**$65.07**	0	$0.00
2	**Maintenance of Equipment**				
2a	Fringe Benefits - Locomotive	R-1, Sch 410, L. 205, C. (f)	$23,637		
2b	Fringe Benefits - Freight Car	R-1, Sch 410, L. 224, C. (f)	$25,679		
2c	Fringe Benefits - Other	R-1, Sch 410, L. 309, C. (f)	$0		
2d	Fringe Benefits - Total	L2a + L2b + L2c	$49,316		
2e	Salary & Wages	R-1, Sch 410, L. 324, C. (b)	$121,042		
2f	Fringe Benefit additive	L2d / L2e	40.7%		
2g	Straight Time Hours	Wage Form A, 400(4)	4,392,105		
2h	Overtime Hours	Wage Form A, 400(5)	818,312		
2i	Total Hours worked	L2g + L2h	5,210,418		
2j	Total Compensation (000)	Wage Form A, 400(11)	$222,646		
2k	Comp. per hour incl fringe benefits	(L2j x 1000/L2i) x (1 + L2f)	**$60.12**	0	$0.00
3	**Transportation**				
3a	Fringe Benefits - Admin Support	R-1, Sch 410, L. 522, C. (f)	$9,111		
3b	Salary & Wages - Admin Support	R-1, Sch 410, L. 527, C. (b)	$14,772		
3c	Fringe Benefit additive	L3a / L3b	61.7%		
3d	Straight Time Hours	Wage Form A, 500(4)	1,341,997		
3e	Overtime Hours	Wage Form A, 500(5)	212,063		
3f	Total Hours worked	L3d + L3e	1,554,060		
3g	Total Compensation (000)	Wage Form A, 500(11)	$86,106		
3h	Comp. per hour incl fringe benefits	(L3g x 1000/L3f) x (1 + L3c)	**$89.59**	0	$0.00
4	**Executive & Professional**				
4a	Fringe Benefits	R-1, Sch 410, L. 611, C. (f)	$52,370		
4b	Salary & Wages	R-1, Sch 410, L. 619, C. (b)	$203,094		
4c	Fringe Benefit additive	L4a / L4b	0.26		
4d	Straight Time Hours	Wage Form A, 100(4)	1,649,336.00		
4e	Straight Time Hours	Wage Form A, 200(4)	3,199,756.40		
4f	Overtime Hours	Wage Form A, 200(5)	143,639.97		
4g	Total Hours worked	L4d + L4e + L4f	4,992,732.00		
4h	Total Compensation (000)	Wage Form A, 100(11)	141,257.73		
4i	Total Compensation (000)	Wage Form A, 200(11)	189,394.79		
4j	Total Compensation (000)	L4h + L4i	$330,653		
4k	Comp. per hour incl fringe benefits	(L4j x 1000/L4g) x (1 + L4c)	**$83.31**	0	$0.00
				Total: ---->	$0.00

Note: 2022 R-1 and Wage Form A values are provided for illustrative purposes. R-1 and Wage Form A values utilized in Attachment 3 should be for the same year as the URCS and make-whole values contained in Attachments 1 and 2. Updating of the R-1 and Wage Form A values should be consistent with URCS updating procedures.

Base Year Calculations and Inputs

Dedicated Train - CSXT - 2022 Base Year

Line	Description	Source/Calculation	Interline Cost/Mile	Number	Cost/Train
1	Cost per mile - load (tm-o/t crew)	M-290 Cask - Line 102	0.0438	6	0.2628
2	Cost per mile - load (tm-crew)	M-290 Cask - Line 103	0.6051	6	3.6306
3	Cost per mile - load (lum)	M-290 Cask - Line 104	1.3467	6	8.0802
4	Cost per mile - load (tm-o/t crew)	Buffer - Line 102	0.0058	1	0.0058
5	Cost per mile - load (tm-crew)	Buffer - Line 103	0.0799	1	0.0799
6	Cost per mile - load (lum)	Buffer - Line 104	0.1779	1	0.1779
7	Cost per mile - load (tm-o/t crew)	Escort - Line 102	0.0033	1	0.0033
8	Cost per mile - load (tm-crew)	Escort - Line 103	0.0457	1	0.0457
9	Cost per mile - load (lum)	Escort - Line 104	0.1016	1	0.1016
10	Total - Regular	Sum Lines 1 through 9			12.3878
11	Cost per mile - load (tm-o/t crew)	Inputs - Line 57	0.8260	1	0.8260
12	Cost per mile - load (tm-crew)	Inputs - Line 58	11.4177	1	11.4177
13	Cost per mile - load (lum)	Inputs - Line 62	12.5170	1	12.5170
14	Total - Dedicated	Sum - Lines 11 through 13			24.7607
15	Dedicated train surcharge cost per train mile	Line 14 - Line 10			12.3729

**This data feeds from other worksheet sources.
Does not require updating**

Base Year Calculations and Inputs

Dedicated Train - M-290 Cask Car

Line	Description	Source/Calculation	Value	Interline	Overhead
1	Tare	Given	286.7		
2	Lading	Given	65.0		
3	Loaded Tons	L1 + L2		351.7	351.7
4	Empty Tons	L1		286.7	286.7
5	Trailing weight - regular train	Input - Line 8	6,667.0		
6	Average locomotives - regular train	Input - Line 9	2.030		
7	Percent of regular train - loaded	L3 ÷ L5		0.053	0.053
8	Percent of regular train - empty	L4 ÷ L5		0.043	0.043
9	Number of originations/terminations	Logic		1	-
10	Number of interchanges	Logic		1	2
11	Cars handled	Given	6		
12	Switch minutes per car - terminal	Input - Line 10	13.3		
13	Switch minutes per car - interchange	Input - Line 11	4.4		
14	Switch minutes per car - intermediate	Input - Line 12	2.3		
15	Distance between intermediate switches	E2L118C23	200		
50	Cost per gross ton mile	E1L101C1,2,3	0.00800		
51	Cost per train mile - other than crew	E1L103C1,2,3	0.82600		
52	Cost per train mile - crew	E1L104C1	11.41770		
53	Cost per locomotive unit mile	E1L105C1,2,3	12.51700		
54	Cost per car handled	E1L106C1,2,3	1.18600		
55	Cost per car originated or terminated	E1L109C1 plus make-whole	14.57100		
56	Cost per switch engine minute	E1L111C1,2,3	7.57500		
101	Cost per mile - load (gtm)	L3 x L50		2.8132	2.8132
102	Cost per mile - load (tm-o/t crew)	L7 x L51		0.0438	0.0438
103	Cost per mile - load (tm-crew)	L7 x L52		0.6051	0.6051
104	Cost per mile - load (lum)	L6 x L7 x L53		1.3467	1.3467
105	Cost per mile - load (switching)	L14 x L56 ÷ L15		0.0853	0.0853
106	Cost per mile - load (total)	Sum Lines 101 through 105		4.8941	4.8941
107	Cost per mile - empty (gtm)	L4 x L50		2.2932	2.2932
108	Cost per mile - empty (tm-o/t crew)	L8 x L51		0.0355	0.0355
109	Cost per mile - empty (tm-crew)	L8 x L52		0.4910	0.4910
110	Cost per mile - empty (lum)	L6 x L8 x L53		1.0926	1.0926
111	Cost per mile - empty (switching)	L14 x L56 ÷ L15		0.0853	0.0853
112	Cost per mile - empty (total)	Sum Lines 107 through 111		3.9976	3.9976
113	Cost per cask - cars handled	L11 x L54		7.12	7.12
114	Cost per cask - cars originated/terminated	L9 x L55		14.57	-
115	Cost per cask - switching (terminal)	L9 x L12 x L56		101.11	-
116	Cost per cask - switching (interchange)	L10 x L13 x L56		33.17	66.34
117	Total cost per cask	Sum Lines 113 through 116		155.97	73.46

Base Year Calculations and Inputs

Dedicated Train - Buffer Car

Line	Description	Source/Calculation	Value	Interline	Overhead
1	Tare	Given	44.6		
2	Lading	Not applicable	-		
3	Loaded Tons	L1 + L2		44.6	44.6
4	Empty Tons	L1		44.6	44.6
5	Trailing weight - regular train	Input - Line 8	6,667.0		
6	Average locomotives - regular train	Input - Line 9	2.030		
7	Percent of regular train - loaded	L3 ÷ L5		0.007	0.007
8	Percent of regular train - empty	L4 ÷ L5		0.007	0.007
9	Number of originations/terminations	Logic		1	-
10	Number of interchanges	Logic		1	2
11	Cars handled	Given	1		
12	Switch minutes per car - terminal	Input - Line 10	13.3		
13	Switch minutes per car - interchange	Input - Line 11	4.4		
14	Switch minutes per car - intermediate	Input - Line 12	2.3		
15	Distance between intermediate switches	E2L118C23	200		
50	Cost per gross ton mile	E1L101C1,2,3	0.00800		
51	Cost per train mile - other than crew	E1L103C1,2,3	0.82600		
52	Cost per train mile - crew	E1L104C1	11.41770		
53	Cost per locomotive unit mile	E1L105C1,2,3	12.51700		
54	Cost per car handled	E1L106C1,2,3	1.18600		
55	Cost per car originated or terminated	E1L109C1 plus make-whole	14.57100		
56	Cost per switch engine minute	E1L111C1,2,3	7.57500		
101	Cost per mile - (gtm)	L3 x L50		0.3568	0.3568
102	Cost per mile - (tm-o/t crew)	L7 x L51		0.0058	0.0058
103	Cost per mile - (tm-crew)	L7xL52		0.0799	0.0799
104	Cost per mile - (lum)	L6 x L7 x L53		0.1779	0.1779
105	Cost per mile - (switching)	L14 x L56 ÷ L15		0.0871	0.0871
106	Cost per mile - (total)	Sum Lines 101 through 106		0.7075	0.7075
107	Cost per mile - (gtm)	L4 x L50		0.3568	0.3568
108	Cost per mile - (tm-o/t crew)	L8 x L51		0.0058	0.0058
109	Cost per mile - (tm-crew)	L8 x L52		0.0799	0.0799
110	Cost per mile - (lum)	L6 x L8 x L53		0.1779	0.1779
111	Cost per mile - (switching)	L14 x L56 ÷ L15		0.0871	0.0871
112	Cost per mile - (total)	Sum Lines 107 through 111		0.7075	0.7075
113	Cost per buffer - cars handled	L11 x L54		1.19	1.19
114	Cost per buffer - cars originated/terminated	L9 x L55		14.57	-
115	Cost per buffer - switching (terminal)	L9 x L12 x L56		101.11	-
116	Cost per buffer - switching (interchange)	L10 x L13 x L56		33.17	66.34
117	Total cost per buffer	Sum Lines 113 through 116		150.04	67.53

Base Year Calculations and Inputs

Dedicated Train - Escort Car

Line	Description	Source/Calculation	Value	Interline	Overhead
1	Tare	Given	27.9		
2	Lading	Not applicable	-		
3	Loaded Tons	L1 + L2		27.9	27.9
4	Empty Tons	L1		27.9	27.9
5	Trailing weight - regular train	Input - Line 8	6,667.0		
6	Average locomotives - regular train	Input - Line 9	2.030		
7	Percent of regular train - loaded	L3 ÷ L5		0.004	0.004
8	Percent of regular train - empty	L4 ÷ L5		0.004	0.004
9	Number of originations/terminations	Logic		1	-
10	Number of interchanges	Logic		1	2
11	Cars handled	Given	1		
12	Switch minutes per car - terminal	Input - Line 10	13.3		
13	Switch minutes per car - interchange	Input - Line 11	4.4		
14	Switch minutes per car - intermediate	Input - Line 12	2.3		
15	Distance between intermediate switches	E2L118C23	200		
50	Cost per gross ton mile	E1L101C1,2,3	0.00800		
51	Cost per train mile - other than crew	E1L103C1,2,3	0.82600		
52	Cost per train mile - crew	E1L104C1	11.41770		
53	Cost per locomotive unit mile	E1L105C1,2,3	12.51700		
54	Cost per car handled	E1L106C1,2,3	1.18600		
55	Cost per car originated or terminated	E1L109C1 plus make-whole	14.57100		
56	Cost per switch engine minute	E1L111C1,2,3	7.57500		
101	Cost per mile - (gtm)	L3 x L50		0.2232	0.2232
102	Cost per mile - (tm-o/t crew)	L7 x L51		0.0033	0.0033
103	Cost per mile - (tm-crew)	L7 x L52		0.0457	0.0457
104	Cost per mile - (lum)	L6 x L7 x L53		0.1016	0.1016
105	Cost per mile - (switching)	L14 x L56 ÷ L15		0.0871	0.0871
106	Cost per mile - (total)	Sum Lines 101 through 105		0.4609	0.4609
107	Cost per mile - (gtm)	L4 x L50		0.2232	0.2232
108	Cost per mile - (tm-o/t crew)	L8 x L51		0.0033	0.0033
109	Cost per mile - (tm-crew)	L8 x L52		0.0457	0.0457
110	Cost per mile - (lum)	L6 x L8 x L53		0.1016	0.1016
111	Cost per mile - (switching)	L14 x L56 ÷ L15		0.0871	0.0871
112	Cost per mile - (total)	Sum Lines 107 through 111		0.4609	0.4609
113	Cost per escort - cars handled	L11 x L54		1.19	1.19
114	Cost per escort - cars originated/terminated	L9 x L55		14.57	-
115	Cost per escort - switching (terminal)	L9 x L12 x L56		101.11	-
116	Cost per escort - switching (interchange)	L10 x L13 x L56		33.17	66.34
117	Total cost per escort	Sum Lines 113 through 116		150.04	67.53

Base Year Calculations and Inputs

Inputs — **Year** 2022

Line	Description	Source/Calculation	Value	Count
1a	Flatcar tare (M-290)	*Based on Actual*	100.0	1
1b	Cask tare (M-290)	*Based on Actual*	186.7	1
1c	M-290 Tare (cask + flat car)	L1a + L1b	286.65	
2	Buffer tare	*Based on Actual*	44.6	1
3	Escort tare	*Based on Actual*	27.9	1
4a	Lading (M-290)	*Based on Actual*	65.0	1
5a	Train miles - local (way)	R-1, Sch. 755, Line 3, Col. (b)	10,943,217	
5b	Train miles - manifest (through)	R-1, Sch. 755, Line 4, Col. (b)	33,587,190	
5c	Train miles - regular trains	L5a + L5b	44,530,407	
6a	Locomotive unit miles - local (way)	R-1, Sch. 755, Line 9, Col. (b)	17,518,919	
6b	Locomotive unit miles - manifest (through)	R-1, Sch. 755, Line 10, Col. (b)	72,945,682	
6c	Locomotive unit miles - regular trains	L6a + L6b	90,464,601	
7a	Gross ton miles - local (way)	R-1, Sch. 755, Line 100, Col. (b)	32,051,147	
7b	Gross ton miles - manifest (through)	R-1, Sch. 755, Line 101, Col. (b)	264,845,662	
7c	Gross ton miles - regular trains	L7a + L7b	296,896,809	
8	Trailing weight - regular train	L7c ÷ L5c	6,667	
9	Average locomotives - regular train	L6c ÷ L5c	2.03	
10	URCS switch minutes per car - terminal	a/ Line a1e	13.348	
11	URCS switch minutes per car - interchange	a/ Line a3e	4.379	
12	URCS switch minutes per car - intermediate	a/ Line a4f	2.253	
13	Distance between intermediate switches	E2L118C23	200.000	
50	Cost per gross ton mile - OE	E1L101C1	0.004	
51	Cost per gross ton mile - DL	E1L101C2	0.001	
52	Cost per gross ton mile - ROI	E1L101C3	0.003	
53	Cost per gross ton mile - Total	Sum Lines 50 through 52	0.008	
54	Cost per train mile - other than crew - OE	E1L103C1	0.822	
55	Cost per train mile - other than crew - DL	E1L103C2	(0.001)	
56	Cost per train mile - other than crew - ROI	E1L103C3	0.005	
57	Cost per train mile - other than crew - Total	Sum Lines 54 through 56	0.826	
58	Cost per train mile - crew	E1L104C1	11.418	
59	Cost per locomotive unit mile - OE	E1L105C1	10.092	
60	Cost per locomotive unit mile - DL	E1L105C2	0.857	
61	Cost per locomotive unit mile - ROI	E1L105C3	1.568	
62	Cost per locomotive unit mile - Total	Sum Lines 59 through 61	12.517	
63	Cost per car handled - OE	E1L106C1	1.186	
64	Cost per car handled - DL	E1L106C2	-	
65	Cost per car handled - ROI	E1L106C3	-	
66	Cost per car handled - Total	Sum Lines 63 through 65	1.186	
67	Cost per car originated or terminated	E1L109C1	11.622	
68	Make-whole adjustment	a/ Line a2a	2.949	
69	Cost per car originated or terminated	L67 + L68	14.571	
70	Cost per switch engine minute - OE	E1L111C1	4.953	
71	Cost per switch engine minute - DL	E1L111C2	0.604	
72	Cost per switch engine minute ROI	E1L111C3	2.018	
73	Cost per switch engine minute - Total	Sum Lines 70 through 72	7.575	

a/ Incorporation of STB "Make-Whole" Adjustments

Line	Description	Source/Calculation	Value
a1a	Add-on per industry switch event	E2p3L301C2	49.070
a1b	Cost per switch engine minute	E1L111C1,2,3	7.575
a1c	Additional minutes	La1a ÷ La1b	6.478
a1d	Average switch minutes - terminal	E2L118C25	6.870
a1e	Revised switch minutes - terminal	La1c + La1d	13.348
a2a	Add-on per car originated or terminated	E2p3L302C2	2.949
a3a	Add-on per car interchanged	E2p3L303C2	4.549
a3b	Cost per switch engine minute	E1L111C1,2,3	7.575
a3c	Additional minutes	La3a ÷ La3b	0.601
a3d	Average switch minutes - interchange	E2L118C26	3.778
a3e	Revised switch minutes - interchange	La3c + La3d	4.379
a4a	Add-on per thousand car miles	E2p3L304C2 + E2p3L305C2	20.292
a4b	Add-on per two hundred car miles	La4a ÷ 5	4.058
a4c	Cost per switch engine minute	E1L111C1,2,3	7.575
a4d	Additional minutes	La4b ÷ La4c	0.536
a4e	Average switch minutes - intermediate	E2L118C29	1.717
a4f	Average switch minutes - intermediate	La4d + La4e	2.253

1/ Should reflect make-whole adjustment applicable to multiple car shipments in private cars

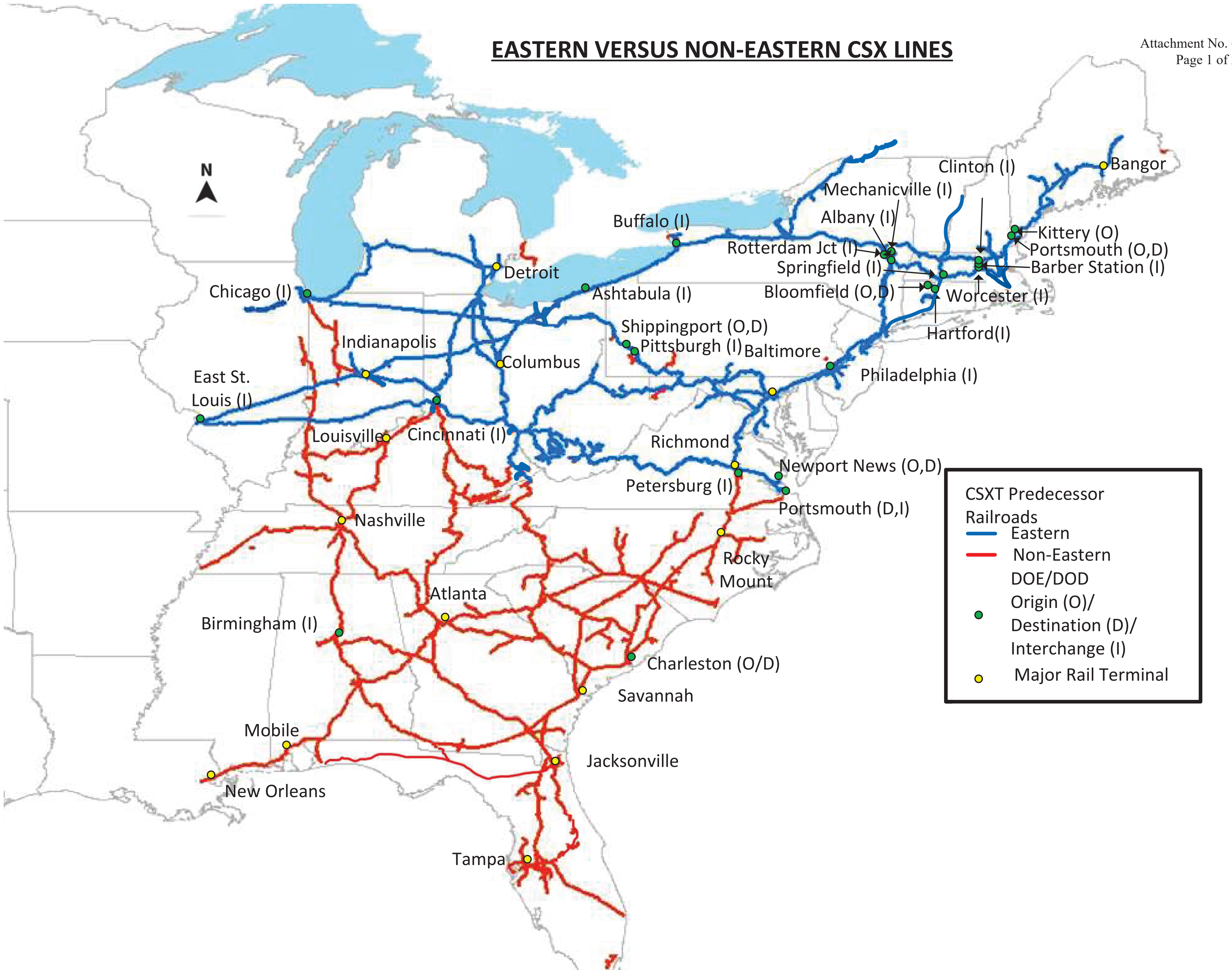
Current Year Inputs

Year 2022

Attachment No. 5

Line	Description	Source/Calculation	Value	
	Covered-Movement Specific Parameters			
101a	Escort tare	*Based on Actual*	27.9	
101b	Buffer tare	*Based on Actual*	44.6	
101c	M-290 Loaded	Line 3 + Line 4	351.65	
	1 Flatcar tare (M-290)	*Based on Actual*	100.0	
	2 Cask tare (M-290)	*Based on Actual*	186.7	
	3 M-290 Tare (cask + flat car)	Line 1 + Line 2	286.65	
	4 M-290 Lading	*Based on Actual*	65.0	
101d				
101e				
101f				
101g				
101h				
101i				
101j				
103	Number of Originations/Terminations	Given	1	**< ------ if local --key 2 , if received key 1, if forwarded key 1, if ovhd key 0**
104	Number of Interchanges	Given	1	**< ------ if local --key 0 , if received key 1, if forwarded key 1, if ovhd key 2**
105a1	Shipment miles	Given	1,080	*Newport News to East St. Louis - all under Eastern Rate Prescription*
105a2	Shipment miles Eastern	Former CSX, CR, P&LE, RF&P miles	1,080	
105a3	Shipment miles "non- eastern"	Former SBD miles		
105b	Dedicated train miles	Given	1,080	

EASTERN VERSUS NON-EASTERN CSX LINES



EASTERN VERSUS NON-EASTERN CSX LINES

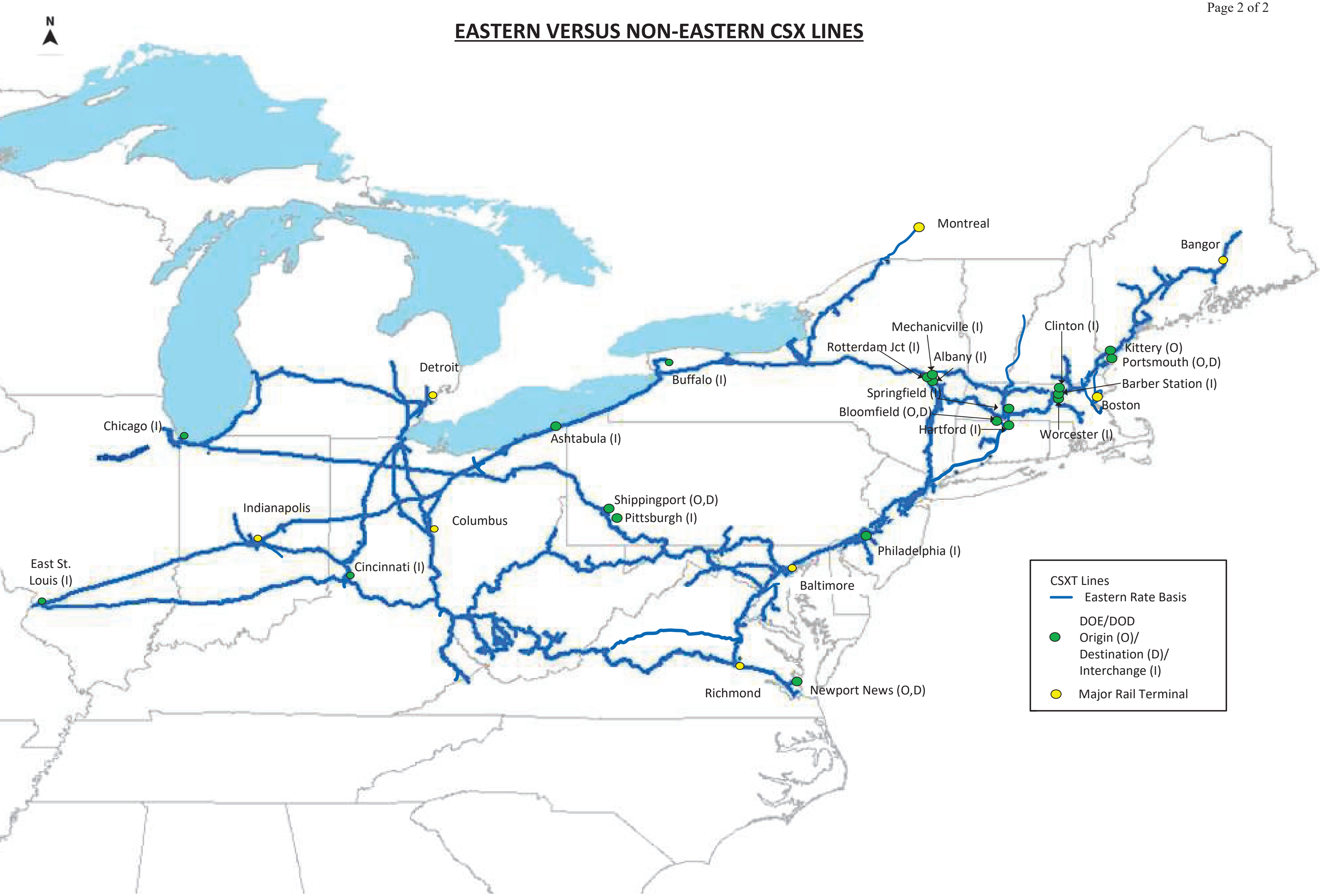


EXHIBIT B

PROPOSED ULTIMATE FINDINGS AND ORDER

BEFORE THE
SURFACE TRANSPORTATION BOARD

U.S. Department of Energy and U.S. Department of Defense v. Baltimore and Ohio Railroad Company, et al	Docket No. 38302S
U.S. Department of Energy and U.S. Department of Defense v. Aberdeen & Rockfish Railroad Company, et al	Docket No. 38376S

PROPOSED ULTIMATE FINDINGS AND ORDER

ULTIMATE FINDINGS

The Settlement Agreement is in the public interest and will be approved.

The Board finds that a future rate charged or collected under a § 10721 rate quotation by CSX Transportation, Inc. ("CSX") for transportation services for the commodities covered by the Settlement Agreement that is higher than those agreed to in the Settlement Agreement will violate 49 U.S.C. §§ 10702, 10707. The Board finds that the agreed rate methodology of the Settlement Agreement will result in a reasonable maximum level of rates for the transportation services covered by the Settlement Agreement.

It is ordered:

1. Under 49 U.S.C. § 10704, the above-described Settlement Agreement is approved.

2. The Board prescribes the rate methodology set forth in the Settlement Agreement.

3. CSX is dismissed as a party to these proceedings, and CSX will not be required to participate as a party in these or any related proceedings involving claims against connecting carriers, except in response to a properly issued subpoena under the Board's rules.

4. CSX's liability for reparations on shipments addressed in these proceedings, including CSX's liability to connecting carriers for contribution is extinguished.

5. This decision is effective on ________________________.

6. Notice will be published in the Federal Register simultaneously with the issuance of this decision.

By the Board. Dated: ________________________.

EXHIBIT C

PROPOSED FEDERAL REGISTER NOTICE

PROPOSED NOTICE

SERVICE DATE - _____________, 2025.

FR -
DEPARTMENT OF TRANSPORTATION
Surface Transportation Board

[STB Docket No. 38302S, 38376S]
U.S. Department of Energy and U.S. Department of Defense v. Baltimore & Ohio Railroad Company, et al.

On ______________, the U.S. Department of Energy and the U.S. Department of Defense ("Government") filed a joint motion with CSX Transportation, Inc. ("CSX"), asking the Board to approve a Settlement Agreement relating to the above docketed proceedings. . The proposed Settlement Agreement covers the rates and service of CSX.

A copy of the Settlement Agreement is attached hereto and is being published herein for comment of interested persons. CSX concedes market dominance over all commodities and shipments covered by the Agreement for purposes of the joint motion.

Previously, the Board approved separate similar settlements with Union Pacific Railroad ("UP") on July 27, 2005, BNSF Railway Company ("BNSF") on August 26, 2013, and Norfolk Southern Railway Company ("NS") on June 28, 2017. The settlement agreements with UP, BNSF, and NS successfully resolved all rate-setting, shipping and service determinations between those carriers and the Government, and the agreements have governed those parties' relationship with respect to the shipment of spent nuclear fuel since the dates they took effect, without substantial issue. Those settlements have served as a model to the Government for the current Settlement Agreement with CSX.

The current Settlement Agreement is substantially similar to the Government's agreements with UP, BNSF, and NS. Some improvements in that document have been made including clarifying or elaborating on definitions and accepted practices and making explicit certain legal standards which are applicable, regardless of their inclusion in the Agreement.

One significant difference between this agreement and the NS and UP Agreements warrants mention. While the NS and UP Settlement Agreements provides for an unlimited term, the CSX agreement, like the BNSF agreement, provides for a term of 25 years, with the possibility of extensions.

The movements in these proceedings are nationwide, including movements originating and terminating in the East. The Interstate Commerce Commission prescribed a local and proportional Eastern rate basis some years ago and that rate basis is not in issue. With respect to those movements governed by the prescribed Eastern Rate basis, like the prior agreement with NS, this Settlement Agreement has incorporated a method of determining rates for dedicated trains which grants CSX an increment over the Eastern rates to equalize the cost of shipments nationwide.

The parties to the Settlement Agreement stress its wide coverage of future Government shipments of all types of radioactive materials and related commodities. The Settlement Agreement addresses the elements of service required of CSX in moving spent nuclear fuel. The parties' agreement rests on the common carrier obligations of CSX and, at the same time, resolves issues relating to more specific elements of required services.

The parties further stress the flexibility provided the Government under the Settlement Agreement for future service of the involved commodities; the greatly reduced rates from the current levels for both regular common carrier service and for dedicated train service; and the full settlement of outstanding reparations claims of the Government against CSX. The parties request Board approval of the Settlement Agreement and the prescription of the agreed rate methodology for establishing future rates for the covered movements.

The Government and CSX ask the Board to prescribe the rate methodology and the maximum revenue-to-variable cost ("R/VC") ratios to which they have agreed for the commodities and rail services that are the subject of the Settlement Agreement. The movements which are at issue in these proceedings are nationwide except for excluded local movements originating and terminating in the East. The Interstate Commerce Commission ("ICC") prescribed a local and proportional Eastern rate basis in 1981, and that rate is not in issue.

This is a global settlement between the Government and CSX, settling all matters in controversy between the parties. Consequently, the Government and CSX join in seeking dismissal of CSX as a party in any further proceedings connected with the subject complaints. Further, the parties request that the Board order that CSX is released from liability for reparations or from paying contribution if any connecting carriers are held liable for reparations on past through movements.

The Government and CSX further request the Board to approve their Settlement Agreement without prejudice to the Government's complaints and other actions insofar as they involve all other carriers in these proceedings. The Settlement Agreement does not purport to resolve any of the issues which still exist for the other remaining defendants.

All filings in response to this notice must refer to STB Docket Nos. 38302S and 38376S, and must be sent to: (1) Surface Transportation Board, 395 E Street, SW, Washington, D.C. 20420-0001; (2) Jason M. Marques, CSX Transportation, Inc., 500 Water Street, J-150 Jacksonville, Fl 32202; (3) Stephen C. Skubel, Assistant General Counsel for Litigation, Room 6H-087, U.S. Department of Energy, 1000 Independence Ave., SW, Washington, D.C. 20585; and (4) Sarah E. McKenzie, Counsel, Naval Reactors, 1333 Isaac Hull Avenue, SE Stop 1150, Washington Navy Yard, DC 20376-1150. Responses to this notice are due on or before 45 days from the publication of the notice. Replies to the responses by the parties to the settlement agreement are due 30 days thereafter.

CERTIFICATE OF SERVICE

I certify that on December 1, 2025, copies of the foregoing Joint Motion of the U.S. Department of Energy, Department of Defense, and CSX Transportation, Inc. for Approval of Settlement Agreement and Prescription of Rate Methodology were served by email or first class mail on counsel for each of the entities listed on the service list for NOR 38302S and NOR 38376S.

Matthew J. Warren