

Corey Davis, Director Fuel Strategy
Becky Hensley, Senior Manager Environmental Programs

FRA 2023 Workshop on Decarbonization of Rail Transportation – May 17, 2023



CSX BY THE NUMBERS

- **195** Years in Operation
- **20,000** route-mile rail network
- **22,500** employees
- **3.3** million carloads
- 3 million intermodal shipments
- **3,600** locomotives
- **12.5** million tons of carbon emissions avoided

Cincinnati Atlanta Charleston Waycross

For calendar year 2022, as reported in 2023 CSX Proxy Statement



CARBON REDUCTION STRATEGIES



TARGETS 2030 Science Based Targets

- Reduce GHG intensity by **37.2%** from 2014
- GHG Scope 2 reduce by 50%
- Decrease solid and hazardous waste
- Expand engagement with supply chain

CSX Pathways

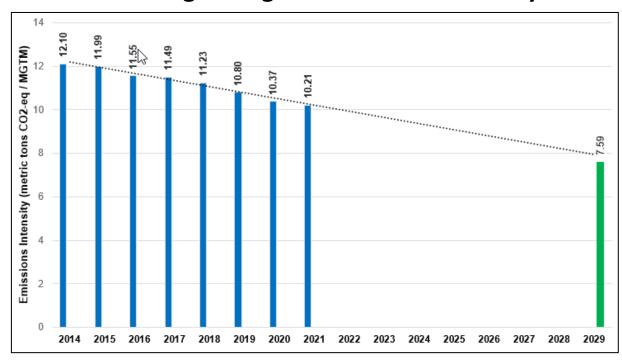
- <u>Technology</u> innovation across the company
- Alternative fuels and locomotive fleet
- Continue to expand engagement with supply chain
- Opportunities to **partner with Customers** and urban territories
- Investigate for Scope 2 reduction
- Develop carbon reduction strategies



CSX GREENHOUSE GAS INVENTORY

Data Unit 2021 2020 2019 **Greenhouse Gas Emissions** Direct (Scope 1) Metric tons 3,956,081 3,815,113 4,309,317 GHG emissions²¹ CO, Eq Energy indirect (Scope 2) Metric tons 144,891 185,216 195,606 **GHG** emissions CO, Eq Other indirect (Scope 3) Metric tons 325,168 179,446 182,629 **GHG** emissions CO₂ Eq Metric tons **GHG** emissions intensity CO, Eq/ 10.21 10.43 10.80 for SBT²² MGTM Reduction of GHG emissions -13.8% % Reduction -15.6% -10.8% for SBT23

SBTI Target Progress - Emission Intensity

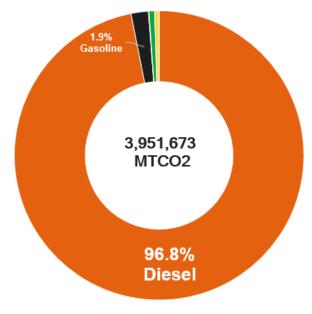


CSX has achieved 15.6% reduction in emission intensity



FUEL DIVERSITY AND RESEARCH CARBON REDUCTION PROJECTS

- Trip Optimizer
- Zero to Zero
- Meet/Pass Planning
- Train Pacing
- Distributed Power
- Rail lubricators
- SD40 Repower Project
- Biodiesel (B20)
- Renewable Diesel
- Battery Hybrid Consist
- Battery Switch Engines

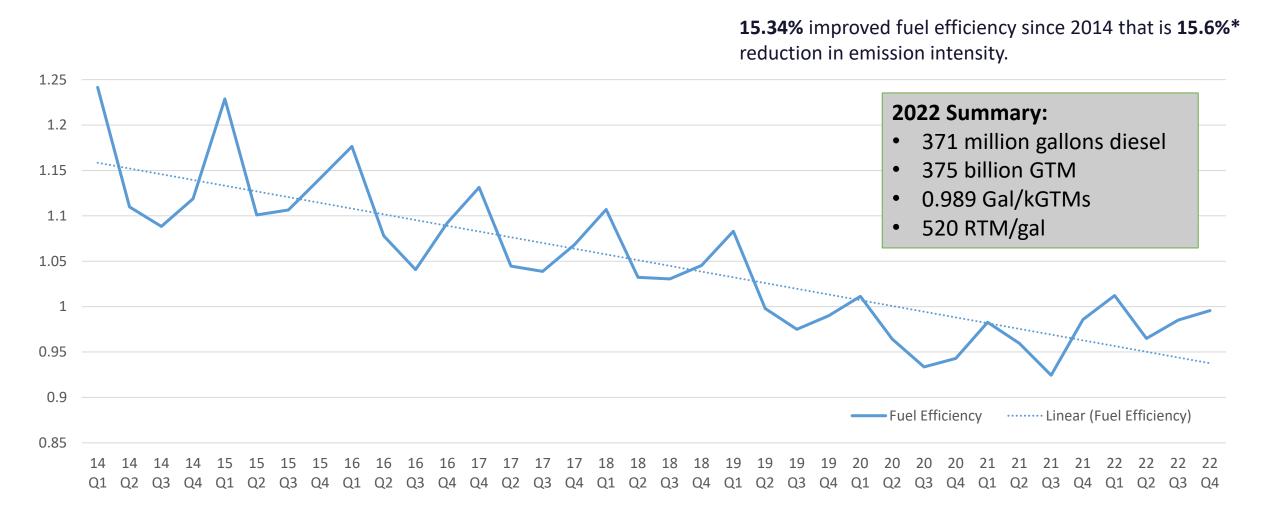


Share of Scope 1 and Scope 2 GHG Emissions By Fuel Type





FUEL EFFICIENCY - GALLONS PER KGTM





TRIP OPTIMIZER

Trip Optimizer (TO) is like a plane's auto pilot or a car's cruise control.

 Operates the train in compliance with the track's temporary and permanent speed restrictions and the requirements to save fuel

 Creates a fuel-efficient trip plan, and then controls the locomotive's throttle and brakes to keep the train on this plan. If conditions change, TO generates an updated plan.

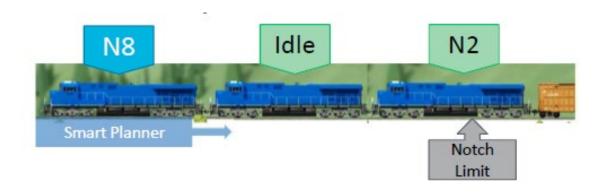


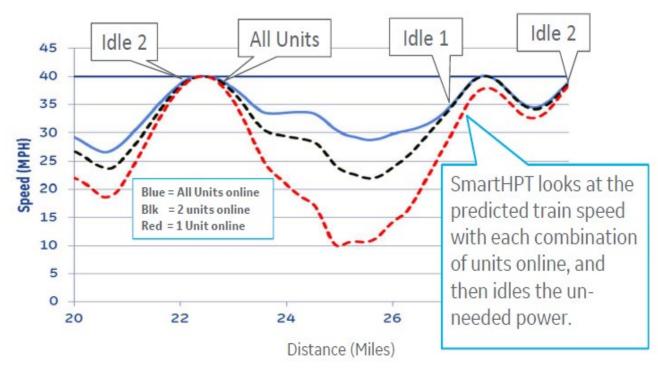




SMART HPT AND INDEPENDENT CONTROL

Trip Optimizer can control locomotives independently including idling, shutting down, and restarting the diesel engines as needed.







WHY WE USE TRIP OPTIMIZER

Auto Control is significantly more efficient:

- CSX average savings is **1.4 gallons per auto mile**
- Industry leading operator performance above 90% auto control utilization
- CSX now has Trip Optimizer deployed over the entire mainline network



	Auto/Available	Auto/All Miles	Auto Miles	Gallons Saved
2019	84%	37%	23,275,325	32,585,455
2020	88%	43%	22,714,402	31,800,163
2021	90%	49%	25,893,529	36,250,940
2022	91%	51%	27,072,021	37,900,830



AIR BRAKE CONTROL STATUS



- The air brake interface requires regulatory approval to test and deploy.
- This type of technology does not fit neatly into any existing regulatory framework
- Successfully tested for a year with FRA oversight
- Working with FRA to navigate the approval process for implementing this technology
 - Request to continue testing filed Oct 2021
 - Final Product Safety Plan filed Nov 2022



REDUCING ROLLING RESISTANCE

CSX increases the efficiency of the steel wheel on the steel rail by deploying:

- Wayside top of rail lubrication
- Wayside curve lubrication
- Locomotive-mounted flange lubrication sticks





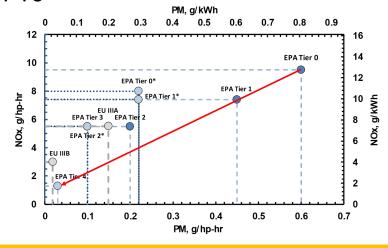


REPOWERING TO THE LATEST TIER LEVEL

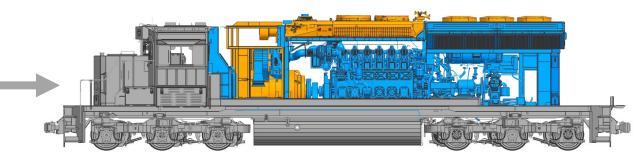
Current SD40-2



- Legacy 645 engine baseline
- Pre-Tier or T0+



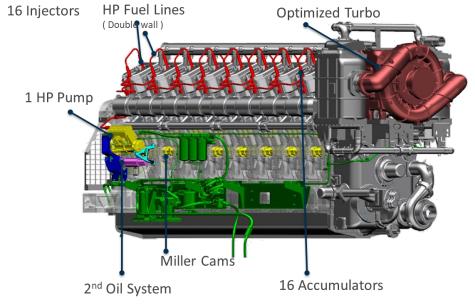
SD40 Tier 4 Repower



- Tier 4 certified, No after treatment
- 20% improvement in fuel efficiency
- 50% reduction in lube oil use
- 4.7 Tons/yr NOx eliminated per repower



IMPROVING EXISTING DIESEL LOCOMOTIVES





<u>FDL Advantage</u> – Rebuilding 25-year-old engines with the latest technology

- 5% SFC Fuel Savings over Current Tier 1+
- Incorporating Evolution Loco Designs:
 - High Pressure Common Rail
 - 1 HP Fuel Pump vs. 16 on current FDL
 - Turbo Design Enhancement
 - Miller Cam Profiles



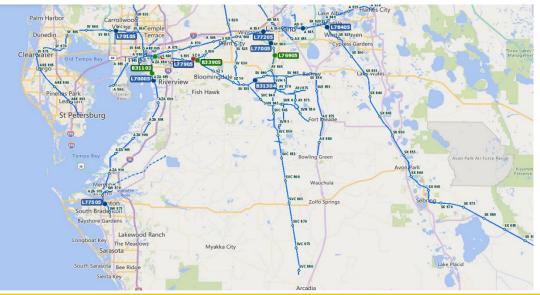
BIODIESEL B20 TESTING IN TAMPA, FL

Ten (10) FDL Advantage Locomotives 20% reduction of CO2

Project Support:

- Engine testing
- Fuel testing
- CSXT Mechanical Department







FUTURE INITIATIVES TO SUPPORT DECARBONIZATION

QUESTIONS?

Corey Davis – <u>Corey Davis@csx.com</u>

Becky Hensley – <u>Rebecca Hensley@csx.com</u>

<u>www.CSX.com</u>

