



American Rail System Federation of the International Brotherhood of Teamsters

March 1, 2023

Michael DeWine
Governor, Ohio
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215

Subject: Norfolk Southern's Cost Cutting Business Model Is Dangerous to America

Dear Governor DeWine:

My name is Jonathon Long, and I am a Norfolk Southern Railway Maintenance of Way Employee of nearly 28 years. I currently serve as the General Chairman of the American Rail System Federation (ARSF) of the Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters (BMWED), representing nearly 3,000 Maintenance of Way Employees that construct, maintain, inspect, and repair railroad tracks and bridges on Norfolk Southern (NS) Railroad, including those NS Maintenance of Way Employees who worked at the East Palestine, OH derailment. I am writing to share with you the level of disregard that Norfolk Southern has for the safety of the railroad's Workers, its track structure, and East Palestine and other American communities where NS operates. I am also imploring you as the Governor of the State of Ohio to use your influence and power to stop NS's reckless business practices that endanger the public and their Workers.

Norfolk Southern is one of seven (7) Class I freight railroads in this country that transport goods from one point to another across their rail infrastructure. NS is also one of many freight railroads operating under the cost-cutting business model, "Precision Scheduled Railroading," otherwise known as "PSR". This business model was foisted upon the railroad industry by Wall Street "activist investors" and hedge funds starting around 2015. What this business model really involves is running longer, heavier behemoth trains that the track structures are not necessarily designed to handle. It also involves the concentrated slashing of employees from the workforce (*30% industry-wide since 2015, 21% for NS Maintenance of Way Employees*) and then shifting the workload onto those remaining workers, pushing them to work faster and longer hours. Additionally, PSR involves eliminating fail-safes or preventative safety precautions that promote

safer rail operations and help prevent disasters such as derailments. With respect to the fail-safes or preventative safety precautions, the railroads justify their elimination by calling them “redundancies” or using phrases such as “gaining efficiencies through the elimination of redundancies.” To be clear, the new business model of PSR is implemented by freight rail carriers not to benefit America’s supply chain through the timely delivery of goods, but solely for the advancement of railroad executives, shareholders, and Wall Street hedge fund investors in the form of record profits, dividends, and stock buybacks.

The railroads’ cost-cutting business model has been a focal topic for the nation these last six to eight months. It started at the Surface Transportation Board, where hearings were held to investigate why rail services were so inconsistent and unreliable. It then made national news as part of ongoing acrimonious national negotiations between the Unions representing the Railroad Workers and the railroads, where the carriers absolutely refused to divert a very insignificant amount of their record-breaking profits to their workforce in the form of paid sick leave. And now, the industry has made the news yet again with NS’s two consecutive derailments, most notably the highly hazardous chemical cars carrying vinyl chloride that went off the tracks in East Palestine.

While the world was learning about the horrors occurring in East Palestine on television, NS officials assessed the damages and carried out their plans for rebuilding their track structure so that they could get trains moving again. After all, if trains are not moving, the railroads are not making (as much) money, and NS is no longer in the business of railroading but instead in the business of making record profits for shareholders and Wall Street. As you are aware, the residents of East Palestine were eventually advised to evacuate the area because of the dangers the hazardous tank cars posed to them - the poor air quality due to the chemical exposure which was released and burned by NS out of last resort due to the possibility of an explosion. Meanwhile, NS instructed approximately 40 of its Maintenance of Way Employees to come on site and begin cleaning up the wreckage. I received reports that NS neither offered nor provided these Workers with appropriate personal protective equipment, such as respirators that are designed to permit safely working around vinyl chloride, eye protection and protective clothing such as chemical restraint suits, rubber overboots and rubber gloves rated for safely working around the spilled chemicals that prevent direct contact with such substances.

Many of the NS Workers also reported witnessing mechanics replacing cabin filters in and carrying out deep cleaning of the various pieces of heavy machinery that were being used by the outside contractors while they were helping clean up the derailment site. When some of the NS Workers inquired about the appropriateness of their personal protective equipment and the safety of their working conditions, they would receive little or no response from NS officials. One Worker shared with me that he called his supervisor and requested to be transported off the derailment site due to concerns of his safety caused by the exposure to the chemicals which were causing him nausea and migraines; the supervisor stated he would get back to the Employee, but he never heard back from his supervisor and the Employee was left on the job site. Many other Employees reported that they continue to experience migraines and nausea, days after the derailment, and they all suspect that they were willingly exposed to these chemicals at the direction of NS. This lack of concern for the Workers’ safety and well-being is, again, a basic tenet of NS’s cost-cutting business model.

With this ongoing in East Palestine, I received numerous inquiries from the Workers I represent, and I was pressing NS for answers to legitimate questions of those concerned Employees. At the same time, I was engaging with NS as General Chairman of the ARSF. During these discussions, NS representatives raised the prospect of reaching an agreement on paid sick leave. We had been in negotiations over paid sick leave for some time now, but those negotiations were going nowhere. So when NS came to me with a level of seriousness towards the subject, I thought it was with good intentions. But when I received NS's proposal, it felt like an underhanded attempt to further raise their profits under their cost-cutting business model. Let me explain what I mean.

NS proposed a letter stating that they would agree to provide paid sick leave to BMWED Members employed on NS **but only if BMWED withdrew its letter of opposition to NS's experimental automated track inspection program to the Federal Railroad Administration** (FRA) and issue a new letter to the FRA that would support NS's experimental automated track inspection program. As part of NS's experimental automated track inspection program, it would reduce the performance of visual human inspections following behind the automated machines, checking and ensuring their accuracy and checking for defects the machines cannot detect.

Current FRA regulations require that railroad tracks be inspected by a qualified human track inspector, who is highly trained and qualified to perform such inspection. These track inspections must be performed at certain frequencies for the purpose of ensuring the tracks, and the right of way, are safe for trains to travel across without derailing. Automated track inspection involves the use of machines that are programmed with artificial intelligence to scan rails/track structure for geometry defects. Automated track inspection has proven to be effective in identifying certain track defects, but the machines are not capable of identifying all track defects; nor do they detect non-track right of way problems. So, NS's proposal was ultimately for the Union to be complicit in NS's effort to reduce legally required minimum track safety standards through supporting their experimental track inspection program without a sensible fail-safe or safety precautions to help ensure trains would not derail. In other words, NS's proposal was to use your community's safety as their bargaining chip to further pursue their record profits under their cost-cutting business model. They gamble with your money, and you hold all the risk if they lose by putting a toxic train in the ditch in your community.

To be clear, BMWED is not averse to automated track inspections. BMWED believes that automated track inspections do provide value to ensuring the integrity of the track structure; but they should be added to the existing track safety requirements, not substituted for them. BMWED opposes any sort of experimental track inspection program that does not contain sensible safety protocols ensuring inspection equipment is calibrated properly, and detecting track defects and that further ensures that non-track defects on the railroad's right of way are examined. More specifically, BMWED is averse to any experimental project that puts profits over the safety of communities like East Palestine and NS's Workers.

NS clearly recognized that using automated machines to perform the track inspections without any sort of sensible safety-precautions in place would be questionable and not well received by many, especially in the face of NS's East Palestine derailment. That is why NS also wanted BMWED to coordinate the timing of when BMWED was to withdraw its original comments and send NS's

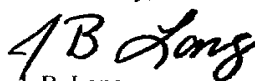
requested letter of support to the FRA. I am including a copy of NS's proposal so that you can see it and believe for yourself.

While BMWED and NS reached an agreement on paid sick leave, I absolutely did not agree with NS's proposal to support their experimental track inspection program. I am truly saddened that NS was willing to compromise the working-relationship between its management representatives and the BMWED for its quest for more record-breaking profits at the sacrifice of safety. But I am most profoundly saddened that management representatives are given marching orders to exalt money over the integrity and safety of NS's track structure and the safety of its Employees, because of NS's cost cutting business model. *The gall to ask BMWED to rescind our comments and concerns about maintaining track structure integrity with a sensible precautionary measure in the form of qualified human track inspections following their test equipment while the world watches NS's mistake cause disruption and chaos in an American Hometown is unfathomably obtuse and shameless.*

I Timothy 6:10 "For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows."

The Bible scripture tells of the perils that happen when you put money above all. NS has pierced itself, but it has somehow left communities like East Palestine and the NS Workers with the many sorrows. This is immoral, and it is all because of the railroad's cost-cutting business model that disregards the sanctity of human life for the sake of more record profits. NS and other railroads alike must be stopped from continuing their cost-cutting business model and start focusing on how they can improve their performance to be as safe as possible. NS and other railroads alike must be held accountable in their operations, through rule-making and regulatory reform that establishes minimum safety standards in their operations. I call upon you in your official capacity as the Governor of the State of Ohio, to help bring about these necessary changes before more trains go off the rails in communities like East Palestine and endure the sorrows that follow such senseless, preventable disasters.

Respectfully,



J. B. Long

General Chairman, ARSF

Attachment: NS Paid Sick Leave for Automated Track Inspection Proposal

PROPOSED BY NS
NOT AGREED TO BY BMWED



Norfolk Southern Corporation
650 West Peachtree Street NW, Box #1
Atlanta, Georgia 30308

Labor Relations

February 21, 2023
AG-MW-2

Mr. [REDACTED]
Brotherhood of Maintenance of Way Employees Division
41475 Gardenbrook Road
Novi, Michigan 48375-1328

Dear Mr. [REDACTED]

This refers to our previous discussions regarding sick leave for employees and the Carrier's desire to reinstitute its pilot program of testing Automated Track Inspection technology (ATIP).

During our discussion, it was agreed that the Carrier and the Organization would execute an agreement, the terms of which will provide employees represented by the Brotherhood of Maintenance of Way Employees with sick leave benefits. In consideration for such benefits, the Organization will withdraw its letter in opposition to the Carrier's pilot ATIP program and issue a letter to the FRA expressing its support of the Carrier's pilot ATIP program. The parties will mutually agree on a date for the filing of the support letter, but such filing will be no sooner than 60 days from the date of this letter and no later than 180 days from the date of this letter, unless the parties mutually agree otherwise.

It was further agreed that during the pendency of the Carrier's pilot ATIP program, the Carrier will not abolish any Track Patrol Foreman positions that exist on the N&W-Wabash territory as of the date of this letter.

Please indicate your concurrence with the terms above by signing in the space below and returning a signed copy to me.

Very truly yours,

[REDACTED]

Labor Relations

I concur:

[REDACTED]
BMWED

Operating Subsidiary: Norfolk Southern Railway Company