

<http://www.nscorp.com>

NS newsbreak

Volume 3, Issue 7
July 2007

NS receives 2006 TRANSCAER® National Achievement Award; Wehrmeister receives Chairman's Award

Norfolk Southern earned the TRANSCAER National Achievement Award for 2006, and **Chuck Wehrmeister**, NS vice president safety and environmental, received the organization's Chairman's Award for his leadership.

Both awards are given in recognition of extraordinary achievement in support of the TRANSCAER initiative that extends beyond geographic boundaries of any one region.

NS received the National Achievement Award for organizing and assisting with multiple events that trained more than 5,000 emergency responders. A total of 198 training classes and drills were held during 116 events, totaling more than 23,000 man-hours of instruction. NS also distributed its NS Railroad Emergency Response Guide at all TRANSCAER training sessions.

Wehrmeister received the Chairman's Award for revitalizing the TRANSCAER program on NS in the early 1990s, making NS' TRANSCAER Whistle Stop Tour an annual event, and for his dedication to the TRANSCAER mission.

TRANSCAER stands for **T**ransportation **C**ommunity **A**wareness and **E**mergency **R**esponse. It is the voluntary national outreach effort to assist communities in preparing for and responding to a possible hazardous material transportation incident.

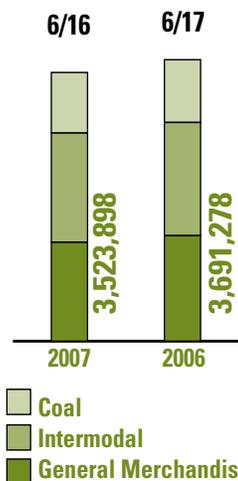
TRANSCAER is sponsored by the American Chemistry Council, Association of American Railroads, Chemical Educational Foundation, CHEMTREC®, The Chlorine Institute, Inc. and National Tank Truck Carriers, Inc.

Chuck Wehrmeister, left, vice president safety and environmental, receives the TRANSCAER Chairman's Award from William McCready, corporate account executive New Century Transportation and TRANSCAER Chairman



Carloadings

Year to Date
Week Ending



Week #1 began Dec. 31, 2006, for the year 2007 and Jan. 1, 2006, for the year 2006.

NS recognizes shippers for safe transportation of hazardous materials

In the past 11 years, Norfolk Southern has transported more than 3.5 million carloads of hazardous materials on its rail system. In 2006, a record 381,558 shipments were handled, underscoring the importance of a shared commitment to excellence in hazmat safety between NS and its customers.

To recognize this commitment to superior customer safety, NS presented 32 of its customers with its Thoroughbred Chemical Safety Award for 2006. The awards, given annually, recognize companies that ship more than 1,000 carloads of hazardous chemicals without incident. The company has presented 55 customers with the award since it was introduced in 1996. All of this year's honorees have won at least twice.

Companies with notable performance include Akzo Nobel Chemicals, which has received 10 consecutive awards, and BP Products North America and Rohm and Haas Company, both nine-time winners.

"As the transportation and chemicals industries face increased scrutiny over the safety and

security of hazardous chemicals shipments, your incident-free handling on Norfolk Southern's rail network is a shining example of superior safety performance," said NS Chief Executive Officer **Wick Moorman** in letters of congratulation to the award recipients.

"The intention is to reward the safety efforts and good processes that our customers' employees put forth in securing each load before it is shipped on our line," said **Alan Julian**, director chemical sales. "Rewarding good efforts is critical to maintaining our safety record. It helps promote safety for our employees and for the communities we operate in every day."

Fires, floods challenge NS operations

First it was a massive fire in the Southeast. Then it was flooding in the Midwest caused by 30 hours of rain. Through it all, Norfolk Southern employees worked to return to normal operations within a matter of days.

Record-breaking flooding in the Midwest affected 14 line segments in Missouri, causing a four-day delay in operations. NS' engineering staff worked to repair damages as quickly as possible while traffic was detoured to other routes.

"Our forces worked tirelessly repairing the damages in order to return to normal functions," said **Greg Comstock**, general manager Western Region. "Our people rose to the occasion and handled all the necessary repairs. We also have teamed up with the Army Corps of Engineers to identify any further problems."

At the same time, forest fires in southern Georgia and northern Florida caused a number of delays across the NS network in the Southeast. Fires roared near NS tracks for five days before NS engineering employees could access the area safely and begin making necessary repairs. Track damage and dangerous operating conditions continued to be a problem in the area due to the unpredictable nature of the fire and heavy smoke throughout the region.

"We have a very sophisticated network of smoke and carbon monoxide indicators to monitor fires near our system," Comstock said. "We worked with the National Forest Service to contain fires and did everything we could to keep our operations going. Our main goal was to not put any of our people in jeopardy."

In both regions, all lines have been completely restored.

Car repair shop to reopen

On May 21, Ohio Gov. Ted Strickland announced that Norfolk Southern will refurbish and reopen its car repair shop at Portsmouth, Ohio. NS funds, along with tax credits and other benefits from the government, will be used to refurbish the shop, which has been idle for more than 20 years. NS plans to employ nearly 70 carmen at the shop, which is expected to repair up to 800 rail cars per year.

Reopening the shop was facilitated by a new labor agreement between NS and the Brotherhood Railway Carmen that provides additional flexibility

Customers earning the award for 2006 are:

- ◆ Airgas Carbonic Inc.
- ◆ Akzo Nobel Chemicals Inc.
- ◆ American Ecology Corporation
- ◆ BP
- ◆ Citgo Asphalt Refining Co.
- ◆ The ConocoPhillips Company plant at Wood River, Ill.
- ◆ The Dow Chemical Company
- ◆ The E.I. DuPont de Nemours and Company plant at Belle, W.Va.
- ◆ Equistar Chemicals, LP
- ◆ ERCO Worldwide
- ◆ Ethanol Products, LLC
- ◆ Flint Hills Resources
- ◆ Georgia Gulf Corporation
- ◆ Horsehead Resources
- ◆ International Commodities Export Corporation
- ◆ INVISTA S.à.r.l.
- ◆ Koppers Inc.
- ◆ Lucite International Inc.
- ◆ Lyondell Chemical Company
- ◆ NOVA Chemicals (Canada Ltd.)
- ◆ Nucor Corp.
- ◆ Occidental Chemical Corporation
- ◆ The Olin Corporation Chlor Alkali Division plants at McIntosh, Ala., and Nixon, Ga.
- ◆ PotashCorp
- ◆ PPG Industries Inc.
- ◆ The Procter & Gamble Manufacturing Co.
- ◆ Rhodia Inc.
- ◆ Rohm and Haas Company
- ◆ Sunoco Chemicals Inc.
- ◆ TexPar Energy
- ◆ Tronox Incorporated
- ◆ Valero Marketing & Supply Company

Thoroughbred Awards recognize innovation, excellence



Three groups of Norfolk Southern employees were honored for their innovation and commitment to excellence at this year's Thoroughbred Award ceremonies, with the team from Decatur, Ill., taking top honors. The award is the highest recognition an employee can receive. It recognizes outstanding, highly visible employee contributions that have a long-term significant impact on NS' success. The awards were given at a luncheon hosted by **Wick Moorman**, chief executive officer, who told the group, "Your contributions are what the Thoroughbred spirit is all about. This kind of innovative thinking is what we all have to do more of to achieve our goals in safety and service."

↑ *Taking top honors was a team from the Decatur, Ill., car repair shop recognized for renovating the former box car door straightening press now being used to press floor sheets to repair 52-foot gondolas, and continuing to be a primary influence in developing tooling and equipment used to safely and efficiently achieve established production values and quality of workmanship. L to R: Gerhard Thelen, vice president operations planning and support; Terry L. Johnson, general foreman; Mike D. Oyler, electrician; Eric R. Peden, carman; Wick Moorman, chief executive officer; Terry Evans, vice president operations planning and budget; and Tim Heilig, vice president mechanical.*

→ *A Norfolk intermodal team was honored for developing and marketing an innovative new service product whereby container capacity was sold in advance on a weekly basis over a one-year commitment. The plan generated more than \$1 million in incremental revenue on the equipment and service provided in its first year. L to R: Jim Bolander, director intermodal marketing; Randy Brink, manager intermodal equipment; Lawrence Fabits, group manager equipment control, Wick Moorman, chief executive officer; Mike Konrad, manager intermodal maintenance; Terry Evans, vice president operations planning and budget; Chuck Spraker, manager market development; Gerhard Thelen, vice president operations planning and support; Christine Traubel, manager intermodal business development; and Paul Dean, director intermodal equipment.*



↙ *This Pittsburgh transportation team worked to help their local county 911 emergency centers provide a much faster response time to railroad track locations by mapping access points along the railroad and recording the coordinates with a Global Positioning System unit. The coordinates, which use railroad location names, were programmed into local emergency responders' systems. L to R: David Davison, engineer trainee; John Manes, operations supervisor trainee; Robert Terry, conductor; Wick Moorman, chief executive officer; Terry Evans, vice president operations planning and budget; Douglas Trimmer, engineer; and Gerhard Thelen, vice president operations planning and support.*



Norfolk office tower named for Arnold McKinnon as NS observes its 25th year



He is the person most identified with helping Norfolk Southern take advantage of the new competitive marketing opportunities afforded by partial deregulation of the rail industry 27 years ago and who envisioned the railroad as an integral link in the global logistics chain.

He instilled the tenets of quality management into every facet of the organization, building a culture of continuous improvement in service and safety.

And now, the NS office tower at Three Commercial Place in Norfolk carries his name. The honor was a complete surprise to McKinnon who said he was "speechless."

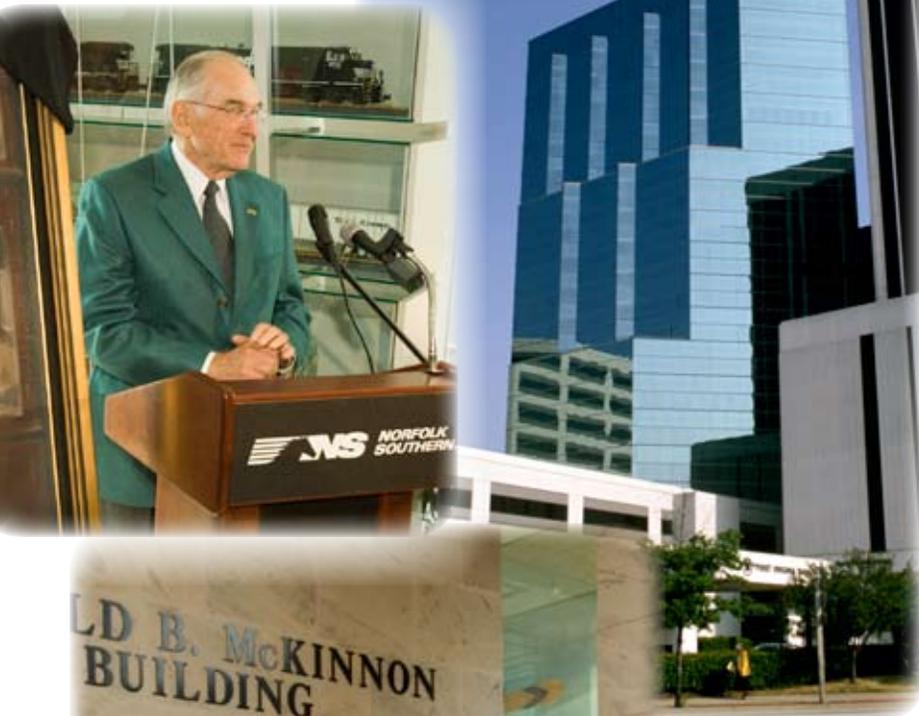
The naming of the **Arnold B. McKinnon** Building honors the corporation's second chairman, president and chief executive officer, who served in that capacity from 1987 to 1992, capping a 41-year railroad career. It also coincides with the observance of Norfolk Southern's 25th anniversary. The company was formed June 1, 1982, with the consolidation of Norfolk & Western Railway and Southern Railway.

Wick Moorman, chief executive officer, in a ceremony June 8 attended by McKinnon, his wife Oriana and family members, said, "Much of what the company is today, we owe to Arnold's vision and his ability to translate that vision into goals and results. Putting his name on the building is a fitting thank-you on behalf of our employees and friends everywhere."

NS broke ground in 1986 for the 300,000-square-foot 21-story green glass office tower. The building opened in 1988, with McKinnon and city leaders cutting the ribbon. Currently some 400 employees work in the building.



Arnold McKinnon, family and NS employees hear surprising news at the 25th anniversary celebration.



NS' headquarters building was named for Arnold B. McKinnon, retired NS chairman, president and chief executive officer, seen here with his wife, Oriana..

Reopen – Continued from 2

when program car repair forces are maintained at or above a specified level.

BRC international representatives J.V. Waller and Jack Wright said, "The new agreement and the reopening of this shop will benefit greatly both NS and the employees we represent who perform car repair work."

Tim Heilig, vice president mechanical, said, "The Portsmouth car shop and the new agreement will help NS maintain its fleet in the coming years."

Tony Licate, NS director labor relations, said "This successful result was possible because of close cooperation among government, company and union representatives. It is truly a win-win arrangement."

Landmark labor agreement celebrated

Savannah, Ga., was the setting during the week of April 16 for a celebration of the 20th anniversary of the Central of Georgia Nancy Hanks Crew Consist Agreement between Norfolk Southern and its employees represented by the United Transportation Union.

The agreement broke new ground in 1987. A joint effort between NS and its UTU employees resulted in a new agreement in which new business trains could operate. Nancy Hanks trains ran between Savannah, Ga., and Atlanta as well as between Tennille, Ga., and Birmingham/Atlanta. While the agreement permitted NS to reduce the number of ground crew members on these trains, it also created higher-paying jobs for UTU members as NS established new interdivisional train service that could be more favorably priced to customers with overall reduced train costs and expedited handling.

The success of this undertaking led to the landmark Central of Georgia Crew Consist Agreement that reduced train crew sizes throughout that property two years later. It formed the foundation for subsequent crew consist agreements systemwide.

Festivities began with a dinner hosted by former UTU Local Chairman Jimmy Hendley for a number of the negotiators of the original agreement, including former General Chairman R. F. Spivey and present General Chairman

Continued on 6

Continued from 5

Bruce Daniel, as well as present UTU members and NS labor relations personnel. The following day, a luncheon in commemoration of the event was provided by Terminal Superintendent Dan Bostick for train and engine service employees.

Former Local Chairman Bill Shavers said the only thing he regretted about the process was that his committee didn't make the agreement seven years earlier. That sentiment was echoed by UTU Vice Chairman Marvin Evans.

General Chairman Bruce Daniel said, "It really was an effort by everyone to think out of the box and seize an opportunity to do something really good for both the company and its employees. And, it worked out exactly the way it was supposed to."

Butler, Ehlers named to senior positions



Butler

responsibility in operations before being named assistant vice president transportation customer services in 2000 and vice president customer service in 2002. Butler is a graduate of Agnes Scott College and the Advanced Management Program at Harvard. In her new position, she heads NS' strategic planning and information technology initiatives,



Ehlers

Deborah H. Butler was named executive vice president planning and chief information officer, and **Fredric M. Ehlers** was named vice president customer service, effective June 1.

Butler joined Norfolk Southern in 1978 as a customer account auditor. She served in positions of increasing responsibility in operations before being named assistant vice president transportation customer services in 2000 and vice president customer service in 2002. Butler is a graduate of Agnes Scott College and the Advanced Management Program at Harvard. In her new position, she heads NS' strategic planning and information technology initiatives, reporting to Chief Executive Officer **Wick Moorman** and headquartered in Norfolk.

Ehlers, who succeeds Butler, joined NS in 1985 as a management trainee. He served in a number of transportation positions before being named director transportation planning and operations systems in 1999 and assistant vice president executive in

2004. Ehlers earned degrees from Michigan State University and Queens College. Headquartered in Atlanta, he reports to Vice Chairman and Chief Operating Officer **Stephen C. Tobias**.

NS recognized as a top supporter of historically black engineering schools

Norfolk Southern has been identified as one of the companies most supportive of historically black engineering colleges and universities, according to a new survey in U.S. Black Engineer & Information Technology magazine.

NS joins 66 other U.S. companies, based on a survey of the deans of 11 higher-education engineering programs and the Advancing Minorities' Interest in Engineering corporate academic alliance. This is the second time NS has been recognized.

The survey, now in its fifth year, evaluated the following factors: support for infrastructure modernization and enhancement, research; participation on advisory councils; faculty development opportunities; scholarships; student projects; stipends; co-ops and career opportunities.

"Norfolk Southern is committed to attracting the best talent to our company," said **Cindy Earhart**, NS vice president human resources. "We are proud of the strong recruiting partnerships we have built with these outstanding schools, and we look forward to strengthening them in the future."

NS awards 10 college scholarships

Ten sons and daughters of employees are receiving college scholarships from Norfolk Southern as part of the company's annual scholarship program.

Recipient of a National Merit Scholarship is Robert Kesler III, son of Vice President Taxation **Robert Kesler Jr.** and Robin Kesler, and a graduate of Norfolk Academy, Norfolk, who will attend Princeton University in New Jersey.

Recipients of Norfolk Southern Special Scholarships are:

- ◆ Jacob Adams, son of Signal Maintainer **Dan Stephens** and Cheryl Stephens, and a graduate of Wayne County High School, Monticello, Ky., who will attend the University of Kentucky;

- ◆ Catherine Ambler, daughter of General Attorney **Thomas Ambler** and Martha Ambler, and a graduate of Matthew F. Maury High School, Norfolk, who will attend Wake Forest University;
- ◆ Sara Bayley, daughter of retired Director Financial Analysis **James Bayley** and Kay Bayley, and a graduate of Princess Anne High School, Virginia Beach, Va., who will attend the University of Pennsylvania;
- ◆ Richard Booth, son of Assistant Vice President Intermodal **Cary Booth** and Jane Booth, and a graduate of Norfolk Academy, who will attend the University of Virginia;
- ◆ Robert Evans, son of Timekeepers **David and Patricia Evans**, and a graduate of Hidden Valley High School, Roanoke, who will attend the University of South Carolina;
- ◆ Catherine Padis, daughter of IT System Manager **Archie Padis** and Leslee Padis, and a graduate of Cave Spring High School, Roanoke, who will attend Virginia Polytechnic Institute and State University;
- ◆ Lindsey Parrish, daughter of Mechanical Supervisor **Lex Parrish** and Sandra Parrish, and a graduate of Bishop Guilfoyle High School, Altoona, Pa., who will attend Bryn Mawr College in Pennsylvania;
- ◆ Colin Schoeneman, son of Engineer **Robert Schoeneman** and Beth Schoeneman, and a graduate of Brookwood High School, Snellville, Ga., who will attend the Georgia Institute of Technology; and
- ◆ Jacqueline Zillioux, daughter of Purchasing Manager **Jon Zillioux** and Susan Zillioux, and a graduate of Cave Spring High School, Roanoke, who will attend the University of Michigan.

National Merit Scholarship Corporation, an independent nonprofit organization, selects scholarship recipients. For detailed descriptions of the scholarships sponsored by Norfolk Southern, refer to the NMSC Web site, www.nationalmerit.org.

Reminder: Calendar entries due Aug. 1
Check out the Web site
www.nscorp.com for details

Dear Newsbreak,

My husband, **Rich Cenkus**, is a signal electronic specialist at Bellevue, Ohio. In April 2006, a black bear attacked me, my son and daughter as we were hiking in the woods of Chilhowee Park in the Cherokee Forest in Tennessee. Our daughter, Elora, was killed. Our son, Luke, and I were severely injured and airlifted to a hospital in Chattanooga, Tenn.

During and after this time, the wonderful employees of NS were so generous to our family by sending money, cards and prayers. To all those who gave to us, we want to thank you very much. It was greatly appreciated and touched us deeply. We have been overwhelmed by the generosity and kindness we experienced.

Many have asked how Luke and I are doing. Thanks to God, family, friends and excellent medical care, Luke and I are doing well. I have been able to return to work, and Luke is as healthy and precocious as any 3-year-old can be. We miss our angel Elora greatly, but we know she is in Heaven and we will see her again some day.

We pray God will bless all those who helped us out in this tragic time. Thank you so much.

Susan Cenkus
 Clyde, Ohio

Dear Newsbreak,

I look forward to receiving your colorful newsletter on a regular basis. The ever-increasing net income of Norfolk Southern, based on ever higher volumes of tonnage and carloads shipped, continues to be a source of great encouragement to those of us who follow Norfolk Southern.

It goes to show that a determination to maintain and to build the growth of shipments on the most promising rail routes across the map of the U.S. will actually produce results, while other sections of the rail industry simply are not able to keep up with Norfolk Southern's record.

Keep it up. When you are part of a winning combination, don't change a thing.

E.B. Leisenring Jr.
 Director Emeritus, NS board
 Philadelphia



NS Newsbreak is published monthly for active and retired NS employees.

*Editor
 Andrea Just
 Editorial Co-op
 Noelle Flauaus
 Design Manager
 Frank Wright*

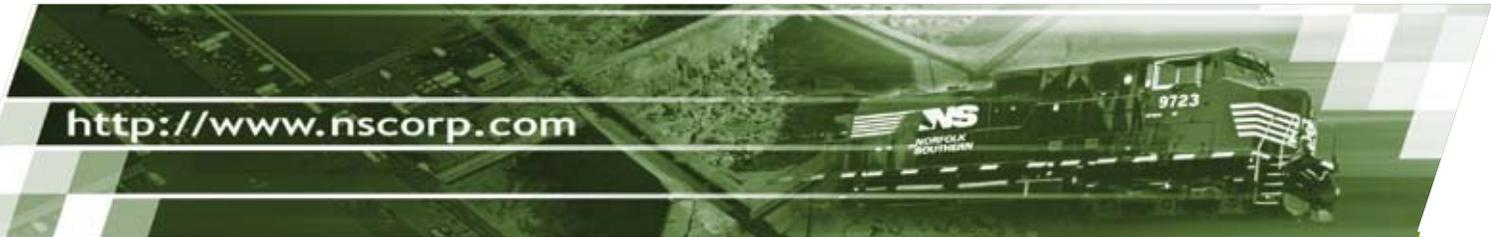
*Printed by Progress Printing
 Lynchburg, Va.*

Questions and story ideas can be delivered to the editor via MEMO ID aljust, e-mail at andrea.just@nscorp.com, phone 757-823-5205 or fax 757-533-4874.

For news updates, check the NS Web site at www.nscorp.com or subscribe to NSINFO using "about Norfolk Southern" and "e-mail lists" menu options. You also can subscribe to NSInvest and Service Alert this way.

*Retirees:
 To continue receiving Newsbreak after you retire, send your name and address to:
 NS Newsbreak Editor
 Three Commercial Place
 Norfolk, Va., 23510-9224.*

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE PAID
PPCO



Inside newsbreak:

Chemical shippers
honored _____

2

Thoroughbred
Awards _____

3

Arnold McKinnon
honored _____

4

“Your contributions are what the Thoroughbred spirit is all about. This kind of innovative thinking is what we all have to do more of to achieve our goals in safety and service.”

Wick Moorman, chief executive officer