

# 2009 Capital Expenditures

Deborah H. Butler

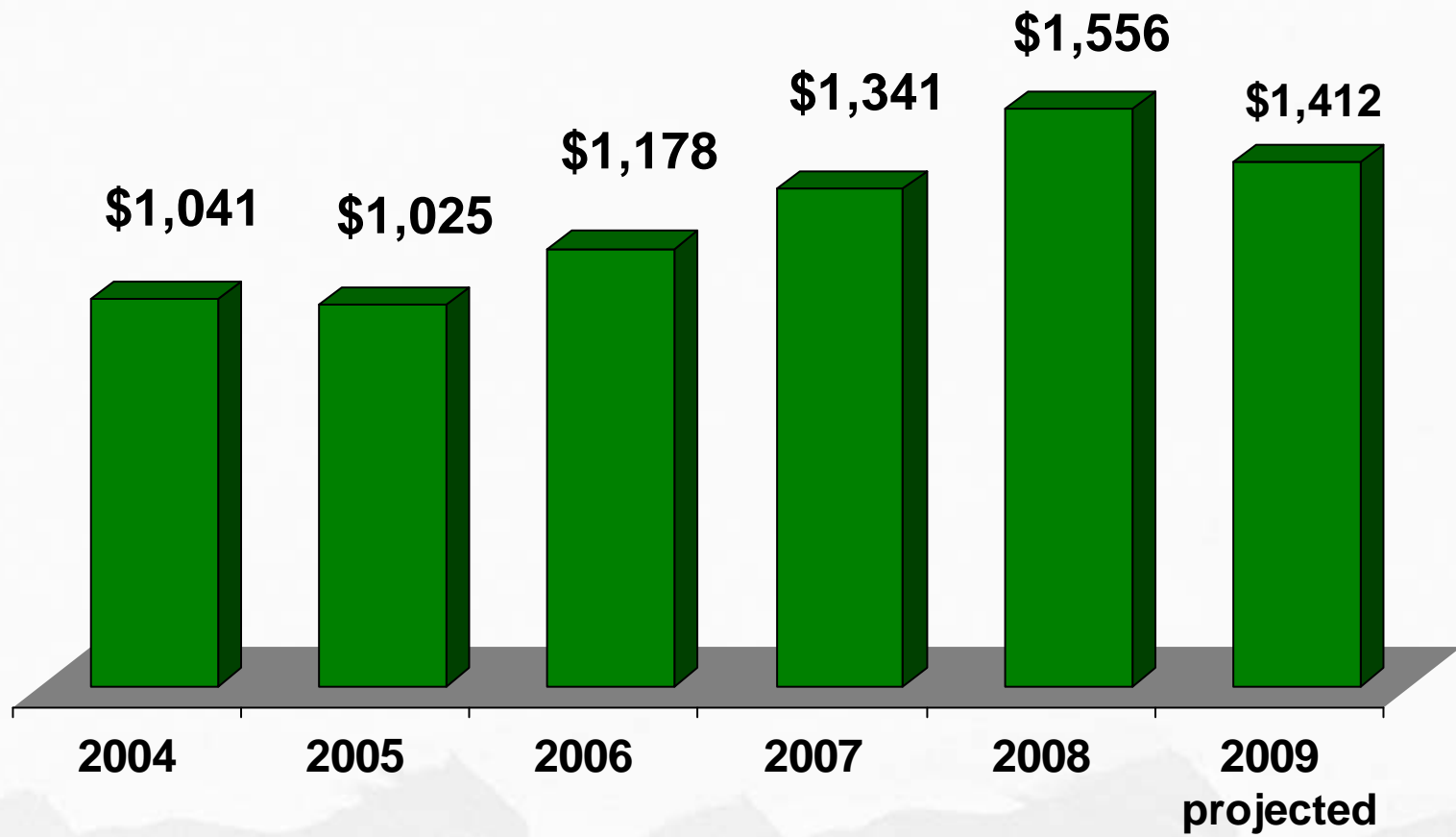
Executive Vice President Planning and  
Chief Information Officer



# 2009 Capital Expenditure Drivers

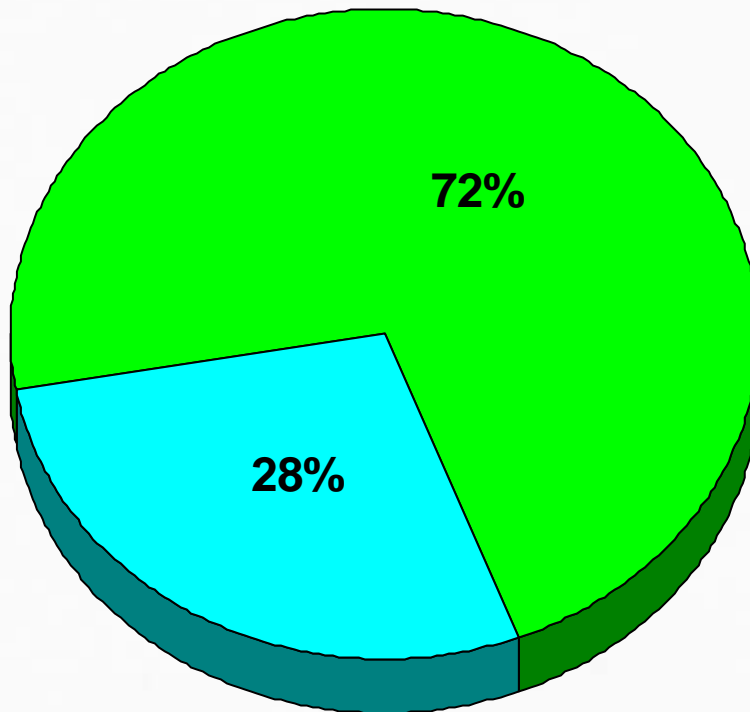
- Continue to Maintain Roadway
- Capacity & Efficiency Improvements
- Intermodal and Industrial Products Projects
- Public-Private Partnerships
- Economic Uncertainty

# Capital Expenditures (millions)



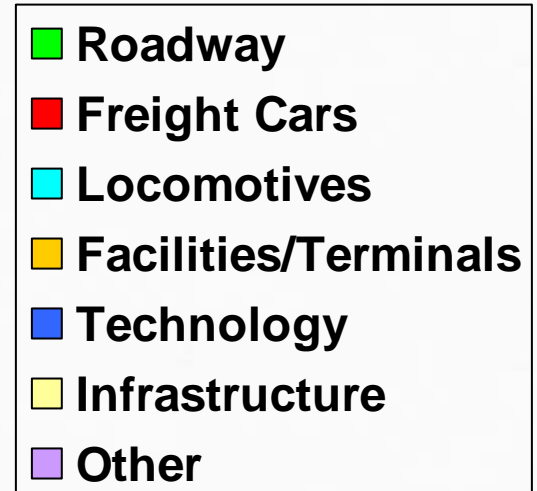
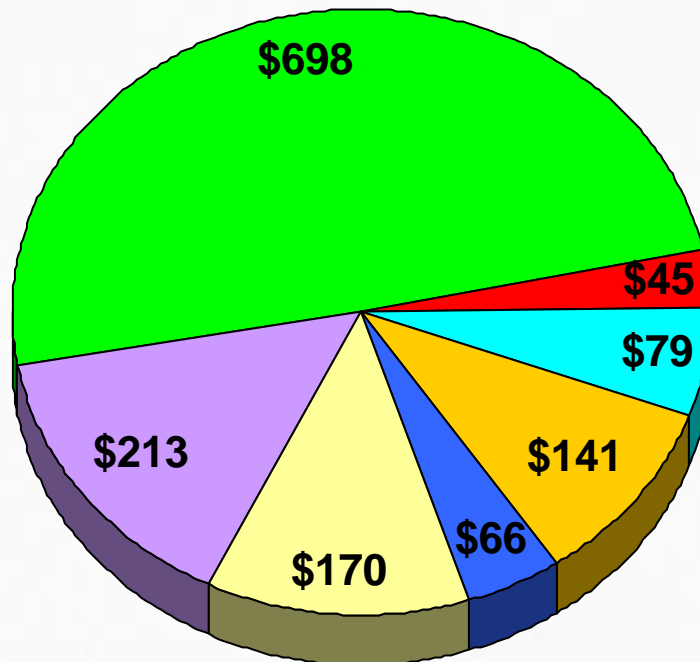
# 2009 Capital Improvement Budget Replacement/Core vs. Growth

\$1.412 billion

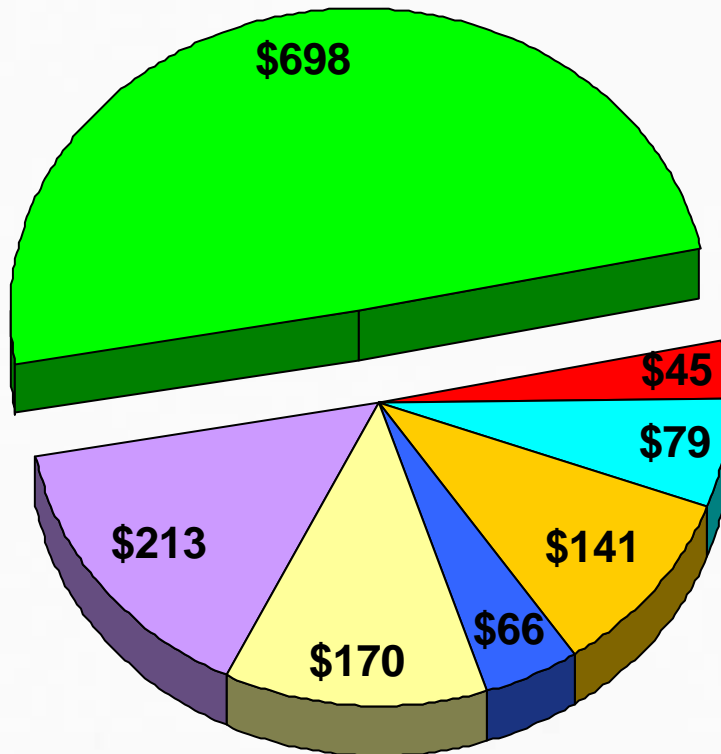


# 2009 Capital Improvement Budget (millions)

*Total Spending = \$1.412 billion*



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*Total Spending = \$1.412 billion*



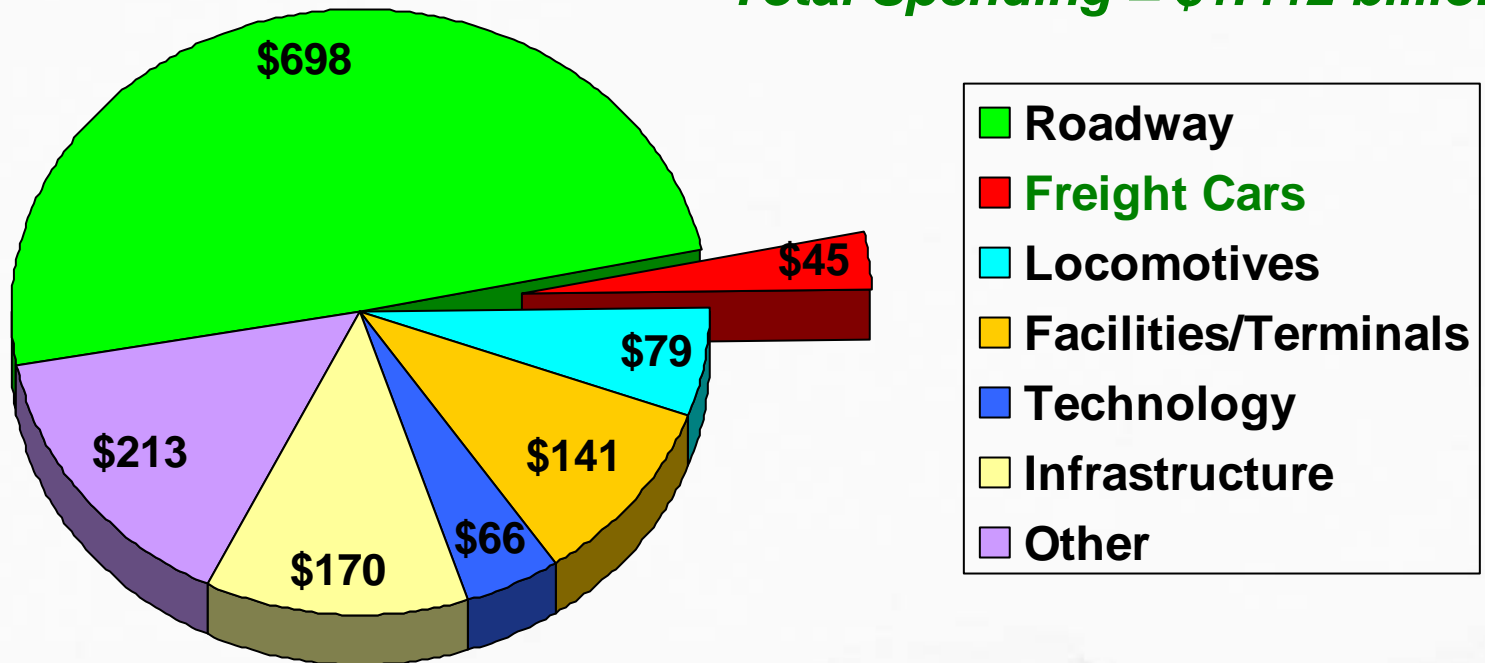
# Roadway

**\$698 million (+13% vs. 2008)**

- Primarily rail, tie, ballast and bridge replacement programs
- Normalized programs to maintain track network
- Unit costs are changing

# 2009 Capital Improvement Budget (millions)

*Total Spending = \$1.412 billion*



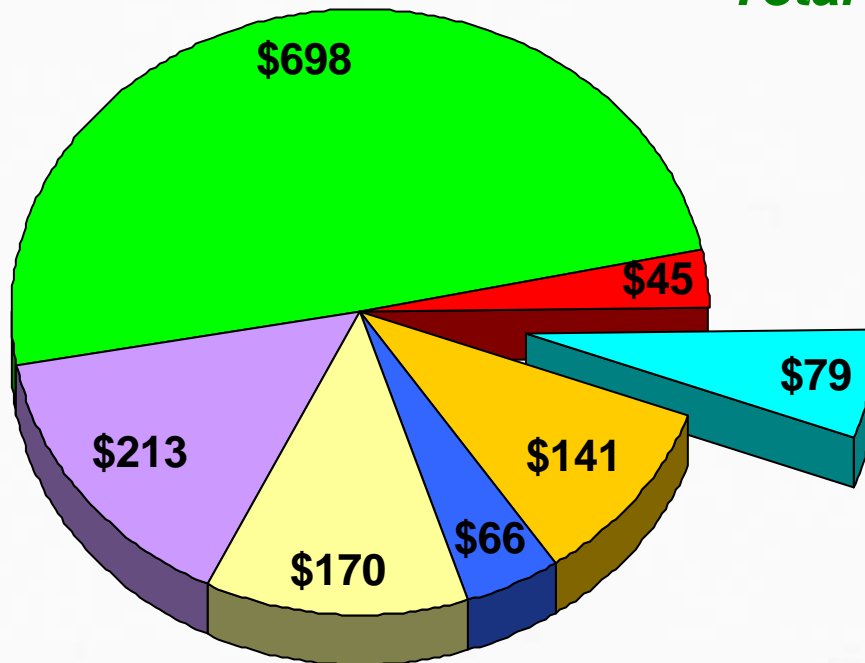
# Freight Cars

**\$45 million (-78% vs. 2008)**

- 514 super jumbo covered hoppers
- Lease buyout of 331 freight cars
- Utilization improvements allow deferral of new coal car acquisitions

# 2009 Capital Improvement Budget (millions)

*Total Spending = \$1.412 billion*

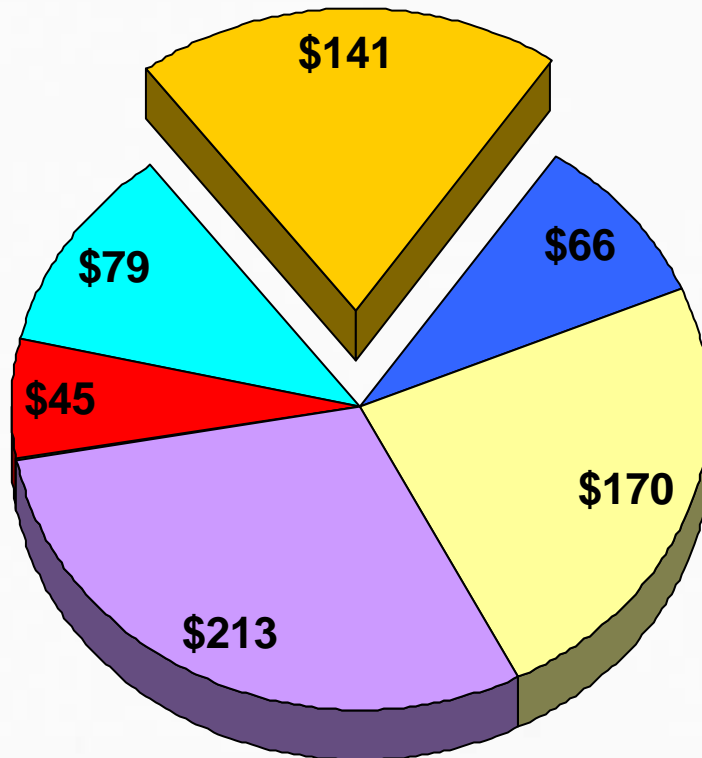


# Locomotives

**\$79 million (- 49% vs. 2008)**

- Continued spending to rebuild or upgrade locomotives
- Emission kits
- Communication Management Units
- Hybrid locomotive initiatives

# 2009 Capital Improvement Budget (millions)



*Total Spending = \$1.412 billion*



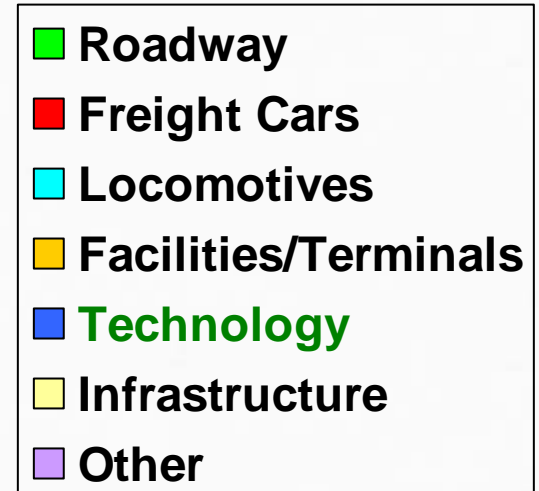
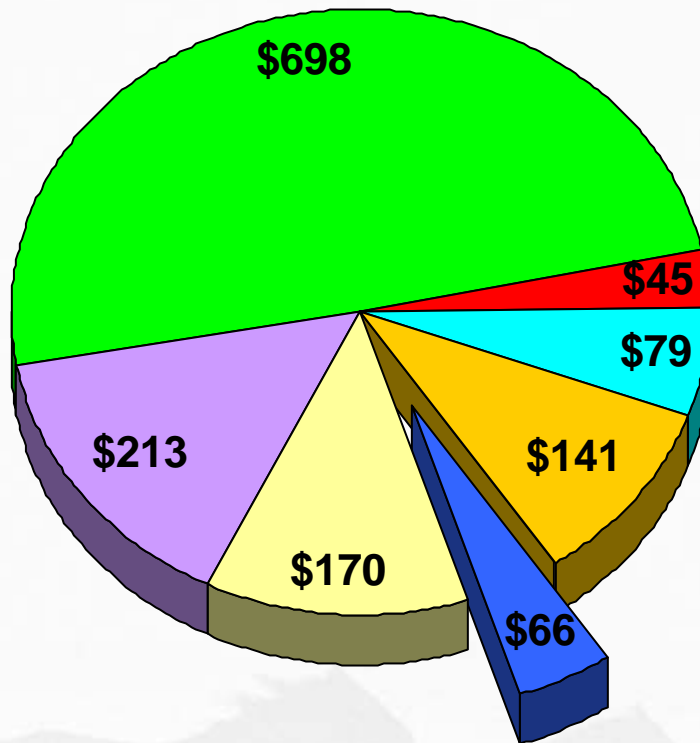
# Facilities/Terminals

\$141 million (-16% vs. 2008)

- Intermodal terminals and equipment
- Other Marketing initiatives
- Locomotive repair and service facilities
- Building construction and renovation
- Environmental protection

# 2009 Capital Improvement Budget (millions)

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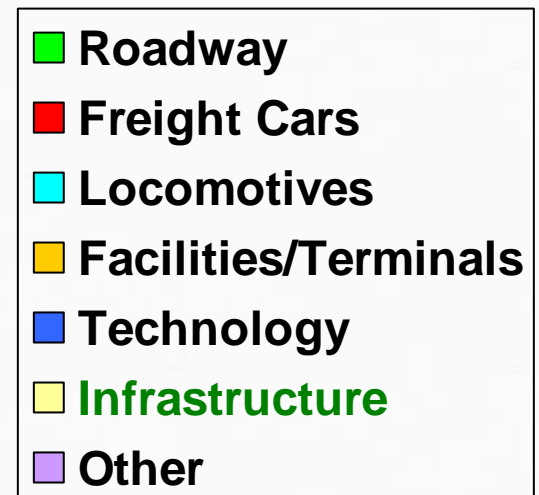
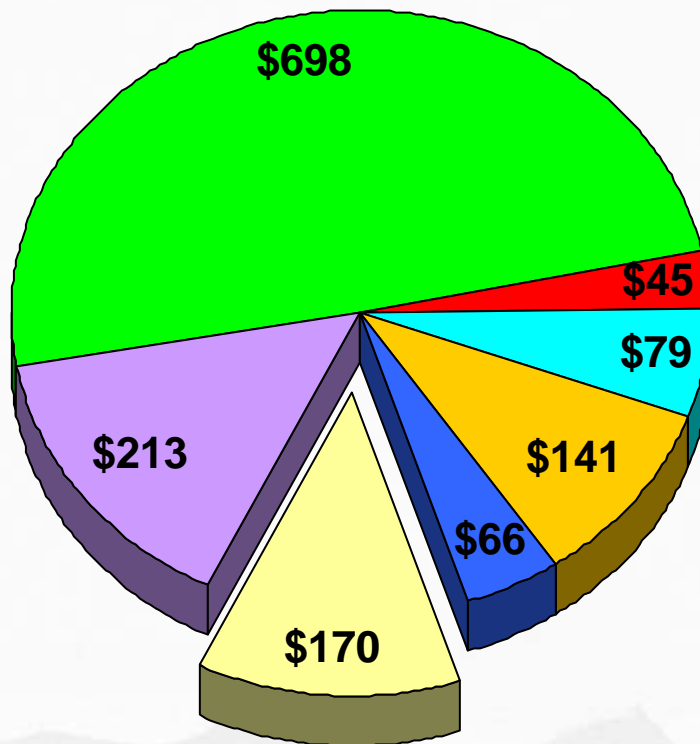
# Technology

\$67 million (- 4% vs. 2008)

- Improve service
- Improve safety, operating efficiency and equipment utilization
  - Positive Train Control
  - LEADER
  - Unified Train Control System
- Automate and update technology

# 2009 Capital Improvement Budget (millions)

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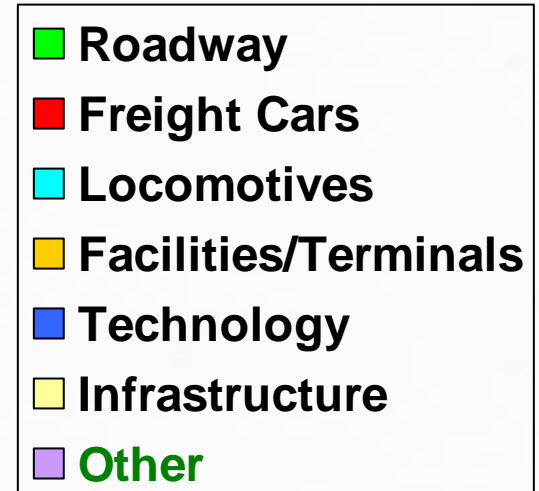
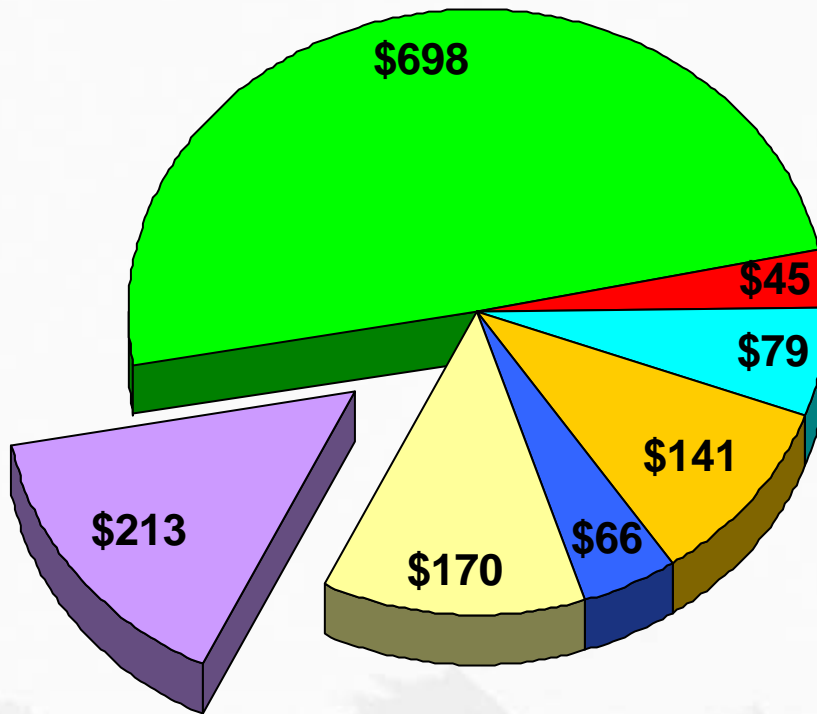
# Infrastructure

**\$170 million (+36% vs. 2008)**

- Network capacity and service improvements
- Public/Private Partnerships
  - CREATE
  - Crescent Corridor
  - Heartland Corridor

# 2009 Capital Improvement Budget (millions)

*Total Spending = \$1.412 billion*



# Other Capital Investments

\$213 million (-3% vs. 2008)

- Roadway equipment and vehicles
- Communications and signals
- Grade crossings and separations
- Small project funding

# Capital Expenditures (millions)

