



S T A C K F A C T S

August 29, 2005
Electronic Bulletin No. 690
Re: Hurricane Katrina: Update 1

Dear Valued Customer:

Hurricane Katrina made landfall early this morning, August 29th, in the Gulf Coast near New Orleans, LA. The storm is now slowly heading northeast, and still has sustained Hurricane force winds reaching over 140 mph. New Orleans declared a state of emergency with over a million people evacuating the city. Hurricane watches are in effect in Southern Louisiana, eastward to the Alabama-Florida state line, including Lake Pontchartrain, LA. Also, many of the inter coastal cities in Louisiana, Alabama, Mississippi and Florida have tropical storm/hurricane warnings in effect for the next 48 hours until Hurricane Katrina passes the area. As this hurricane continues to move toward the Northeast, heavy rain and high winds are expected to affect other parts of Alabama and Tennessee.

The resultant wind and flooding have the potential to do considerable damage to CSX, NS, KCS and UPRR railroad facilities in and around New Orleans. All train operations have been suspended on the routes into and out of New Orleans and the greater Gulf Coast area. We expect continuing delays to traffic traversing the CSX rail network between the Gulf Coast region and Florida for the next several days and possibly longer. Those trains that interchange at the New Orleans Gateway and departed respective origins prior to Katrina making landfall, are being staged on line and/or diverted over alternate gateways as crews and track capacity are available on alternate routes.

As Hurricane Katrina moves out of the New Orleans area, crews will begin inspections of facilities and routes to determine damage and subsequent recovery process. As additional information becomes available, we will communicate accordingly. Expect substantial delays to volume moving between the Southeast, New Orleans area and the West Coast.

Thank you,

Pacer Stacktrain