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1. Framework Agreement Concerning Certain Rights and Responsibilities with Respect to New York High Speed Rail
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Introduction and Purpose

1. This Framework Agreement is to set forth and memorialize the parties’ shared understanding with respect to certain essential elements of the planning and potential implementation of enhanced intercity or high speed passenger rail service (collectively referred to herein as “high speed intercity passenger rail service”) on or adjacent to property currently owned by CSXT in the State of New York. It is the intent of the parties to recognize the national goal of expanding high speed intercity passenger rail, consistent with CSXT’s legal and fiduciary responsibilities, and to cooperate fully in achieving that goal consistent with the Framework Agreement.

2. This Framework Agreement articulates the principles for the future course of dealing between the parties concerning any implementation of high speed intercity passenger rail service in New York.

3. With regard to the project described in the Agreement for Progressing a Tier 1 Environmental Impact Statement (EIS) on the Empire Corridor, which is being executed simultaneously, this Framework Agreement is not intended to foreclose the EIS’s consideration of particular approaches. The EIS will provide a basis for determining alternatives, and by agreeing to progress the EIS, the parties are in no way committing to implementation of the project or binding themselves to any further steps concerning the project. That project and the projects identified in Attachment A are collectively referred to herein as “the Projects.” The parties agree that NYSDOT is progressing the ARRA high speed intercity passenger rail projects approved and funded by the Federal Railroad Administration and set forth in Attachment A, subject to the parties (and Amtrak, if applicable) entering into all necessary implementing project agreements.

4. Specifically, this Framework Agreement identifies four core principles that are common to all freight and passenger rail interface in the United States. Those are safety, capacity, liability and compensation. This Framework Agreement acknowledges those issues, acknowledges that there is substantial precedent for resolving them and commits the parties to work cooperatively, consistent with law and precedent to do so if the Projects are undertaken.
5. **Safety.** New York acknowledges that CSXT has current safety design guidelines for passenger trains operating on CSXT property at speeds higher than 90 mph between Buffalo and Hoffmans, NY that require a separated and dedicated track(s) for the passenger services constructed. New York further acknowledges that it will make every effort to follow CSXT’s guidelines, or to work with CSXT to put in place other system safety improvements that result in a level of safety equivalent to or better than current CSXT guidelines, provided that in all circumstances CSXT shall have the right to make the final determination as to safe uses of its property. Although CSXT is willing to explore exceptions to its current safety design guidelines, CSXT and New York agree that any such exceptions shall be limited in number and scope, and must be mutually agreed upon by the parties. Moreover, the parties acknowledge that research and rulemaking with respect to the interface of freight and high speed rail in the United States is under study and may evolve. In all cases, and notwithstanding any other provision of this Framework Agreement, CSXT will abide by legal standards and maintain sole discretion with respect to the safety and use of its property.

6. **Capacity.** CSXT and New York acknowledge that CSXT, as a wholly-owned subsidiary of a public corporation, has the responsibility to solely determine the freight capacity that CSXT must retain to accommodate future operations. In making this determination, CSXT will take into account the results of the EIS, as well as the views of third parties, including, without limitation, the Federal Railroad Administration, the State of New York, Amtrak, the Port of New York/New Jersey and customers.

7. **Liability.** New York acknowledges that if the Projects are implemented, CSXT will require adequate protections from potential liability arising from the operation of passenger rail service, consistent with law and precedent.

8. **Compensation.** New York acknowledges that the CSXT corridor that is the subject of this Framework Agreement is today the single busiest on the CSXT network and has tremendous opportunity for additional freight demand, including from the expansion of the Panama Canal. Accordingly, the property that would be impacted by the Projects is among the most valuable freight corridors in the United States. New York acknowledges that it has a legal and constitutional obligation to justly compensate CSXT for any of its property rights acquired or used by New York, as well as for any diminishment in value of those rights to the extent permitted by law.
This Agreement has the concurrence of the authorized officials of both parties as of the dates show below.

CSX TRANSPORTATION, INC.

[Signature]

Louis E. Renjel, Jr.
Vice President, Strategic Infrastructure

NEW YORK STATE DEPARTMENT OF TRANSPORTATION

[Signature]

Stanley Gee
Acting Commissioner
ATTACHMENT A

1. HSR — The Albany-Schenectady Double Track (110 mph corridor as per FRA grant application);
2. Grade Crossing — The Highway-Rail Grade Crossing Safety Improvements, CSXT Hudson Line;
3. Station improvements — The Rochester Station Improvements;
4. Station improvements — The Buffalo-Depew Station Improvements; and
5. HSR — Phase I of the 3rd Track Initiative.
2. Agreement for Processing a Tier 1 Environmental Impact Statement on the Empire Corridor
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CSX TRANSPORTATION, INC.
And
NEW YORK STATE DEPARTMENT OF TRANSPORTATION
AGREEMENT
FOR PROGRESSING A

TIER 1 ENVIRONMENTAL IMPACT STATEMENT ON THE EMPIRE CORRIDOR

This Agreement for Progressing an Environmental Impact Statement ("EIS Agreement") is entered into as of May 28, 2010, by and between the NEW YORK STATE DEPARTMENT OF TRANSPORTATION ("NYSDOT" or "State"), whose principal offices are located at 50 Wolf Road, Albany, NY 12205, and CSX TRANSPORTATION, INC. ("CSXT"), a Virginia corporation whose principal offices are located at 500 Water Street, Jacksonville, Florida 32202.

Explanatory Statement

A. The purpose of this EIS Agreement is to set forth principles of cooperation between the parties in connection with undertaking a Tier 1 Service Level National Environmental Policy Act ("NEPA") Environmental Impact Statement ("EIS") to consider the enhancement of high speed intercity passenger rail service between Niagara Falls, N.Y. and Albany, N.Y. with through or connecting service to Pennsylvania/Moynihan Station in New York City ("the Corridor") and other possible destinations, consistent with preserving and growing the valuable freight service and opportunities of CSXT and its stakeholders with respect to its property.

B. The EIS will provide a basis for determining alternatives with respect to the basic engineering, design, and environmental impacts of the project described above. Concurrent with the execution of this EIS Agreement, the parties are executing a Framework Agreement Concerning Rights and Responsibilities ("Framework Agreement") that provides an overview of certain essential rights and responsibilities of the parties with respect to this project and others.

C. New York State has a vital interest in delivering high speed intercity passenger rail to the Corridor and is dedicated to optimizing train speed in the Corridor in ways that will best serve the public’s need and desire for safe and reliable passenger rail service while at the same time supporting and growing the substantial public benefits of freight rail in New York.

D. CSXT, as a wholly-owned subsidiary of a public corporation, has legal and fiduciary responsibilities to preserve and grow freight rail services and to maximize the safe and efficient uses of its property.

E. NYSDOT is presently undertaking the development of a Tier 1 Service Level National Environmental Policy Act Environmental Impact Statement, with the Federal Railroad Administration ("FRA") as the lead agency, to consider the enhancement of high-speed intercity passenger rail service on the Corridor including the introduction of enhanced operations on that portion of the Corridor between Albany-Rensselaer, Schenectady and
Niagara Falls, New York (the “Empire Corridor West” or “ECW”). The EIS will study possible additions and/or enhancements to track and other infrastructure to allow for intercity passenger rail trains that are capable of traveling at maximum authorized speeds of at least 110 miles per hour (“mph”) as defined by 49 U.S.C. section 26106(b)(4), as well as other enhancements. The parties recognize that the CSXT right of way within the Corridor is the single busiest on the CSXT network. As such, it is an essential part of an interdependent nationwide rail network and is among the most valuable freight routes in the United States. The parties recognize that the alternatives studied may require the acquisition of property rights from CSXT or others. As required by NEPA, the EIS will evaluate all reasonable alternatives including options that comply with CSXT’s design and safety standards, guidelines and policies for commingled passenger and freight operations, including the requirement of a separated and dedicated track for any passenger trains operating at speeds in excess of 90 mph, with a minimum of 30 feet measured from the center line of the freight track to the center line of the proposed passenger track. The EIS will also evaluate a no-build alternative, and will consider the substantial stakeholder interests in freight fluidity, including without limitation the interests of the Port of New York/New Jersey and the City of New York. In evaluating those alternatives that comply with CSXT’s design and safety standards, guidelines and policies, the parties understand that there may be places along the Corridor where meeting CSXT’s standards, guidelines and policies is not possible within CSXT’s existing right of way; therefore, the EIS will evaluate other options including, but not limited to:

- speed restrictions
- environmental mitigation
- exceptions to CSXT’s standards, guidelines and policies
- property acquisition

F. The EIS will draw upon: (1) a market study of ridership demand for such services on the Corridor (the “Market Study”); (2) an operational analysis of the Corridor previously undertaken by NYSDOT and others for railroad operations between Schenectady, Poughkeepsie and New York, NY (the “Hudson Line Operational Analysis”), which resulted in the Hudson Line Corridor Rail Transportation Plan and its preferred scenario of capital improvements dated November 2005 (the “Hudson Line Study”); and (3) additional operational analysis of the Corridor between Schenectady and Niagara Falls, NY (the “ECW Operations Analysis”). The EIS, the Market Study and the ECW Operational Analysis are referred to collectively as the “Study”.

G. CSXT, as the owner of much of the right of way within the scope of the Study, is willing to assist NYSDOT in connection with the Study, under the terms set forth by this EIS Agreement.

H. The parties understand that the Study will form the basis for the development of a Transportation Investment Plan (“TIP”), to be prepared generally consistent with the guidance previously published by FRA entitled “Corridor Transportation Planning Guide.” The TIP will identify the infrastructure and/or operational improvements necessary to permit safe and reliable intercity passenger rail service consistent with the concomitant public interest in the preservation and enhancement of safe and reliable rail freight operations between Buffalo, N.Y. and Selkirk, N.Y. for both existing and future freight customers along the line and through freight service, including service to and from the Port of New York/New Jersey. The development of a TIP will be the subject of a further agreement between the
parties as to their roles and responsibilities. Negotiation of the TIP agreement will begin immediately upon the execution of this EIS Agreement.

I. The parties understand that the National Railroad Passenger Corporation (“Amtrak”) provides intercity passenger rail service on the Corridor and will be a necessary participant in the undertaking of the Study. The negotiation of the TIP, including responsibility of operations and maintenance of capital improvements will include Amtrak.

Section 1: General Matters

a. The provisions of this EIS Agreement shall not be determinative of the terms and conditions of any further agreements between the parties as to the implementation of the improvements or the rail service that are derived from the Study. The results of the Study do not, and will not bind either party to any terms or conditions related to the contemplated project, including any expansion of passenger rail operations or infrastructure changes to CSXT’s rail corridors. The parties acknowledge that further studies may be necessary and desirable to the extent that the Study does not sufficiently address the impact of rail service and/or the rail infrastructure enhancements required to accommodate the same. NYSDOT and CSXT acknowledge and understand the obligations contained in this EIS Agreement are limited to developing the Study, in accordance with this EIS Agreement. This EIS Agreement creates no obligation on the part of either party to otherwise pursue or advance any particular project or to enter into any further agreements to advance such projects.

b. This EIS Agreement will commence on the date signed by the parties and terminate when the Study is completed and accepted by the FRA. Either party may terminate its participation in the Study by delivery of 30 days prior written notice to the other, stating the reasons for such termination.

Section 2: NYSDOT Consultants and Subconsultants

NYSDOT has secured the services of HNTB New York Engineering and Architecture, P.C., as well as sub-consultants Louis T. Klauder & Associates and W. F. Keeney & Associates at its sole expense (collectively, “NYSDOT Consultants”), to perform the Study and to develop alternatives that best meet the future needs of the users of the Corridor. The term of the NYSDOT – HNTB New York Engineering and Architecture, P.C. Railroad Retainer Agreement is 3/01/2010 to 3/01/2015. It is expected that the Study will be completed in 2012.

Section 3: Operations Analysis Parameters and Methodology

a. The objective of the Study’s ECW Operations Analysis is to provide a comprehensive analysis of proposed alternatives for improving rail service on the ECW that connects Albany-Rensselaer Station with Syracuse, Rochester, Buffalo and Niagara Falls, including important connections west of Buffalo and north of Syracuse. Also included is the important connection from Hoffmans (where the ECW continues east to Albany-Rensselaer Station) to Selkirk Yard, the major rail freight classification yard for New York and New England.

b. The Study’s ECW Operations Analysis will include a comprehensive computerized railroad network simulation model of both existing and future train operations on the
ECW from Albany-Rensselaer to the Canadian border in Niagara Falls, NY. The Rail Traffic Controller (“RTC”) computer rail network simulation analysis package shall be used for the Study’s ECW Operations Analysis.

c. Development of the Base simulation model, reflecting 2008 ECW operations, was substantially completed as part of another project and has already received preliminary “sign off” by CSXT conditioned on correction of some deficiencies in the model identified by CSXT which NYSDOT has agreed to implement. A Base Case RTC validation will be completed using CSXT actual point to point data. Some work is needed to provide a broader set of outputs to support the Study. The Base simulation model will not be updated to reflect current operations on the Corridor because CSXT train volumes were higher in 2008 than they are at present.

d. The Study’s ECW simulation model will include detailed simulation of all intercity passenger trains and freight rail movements (both local and long distance) within the ECW.

e. The Study’s future ECW simulation model scenarios will reflect evaluation of Study alternatives that include growth in passenger and freight rail service as well as required infrastructure improvements. Feasibility assessments of alternatives with significant infrastructure improvements will balance costs and environmental impacts with predicted rail network operational benefits related to capacity, travel time, train schedule reliability, rail safety, and cost effectiveness.

f. The Study’s ECW Operations Analysis will include the following CSXT trackage that is part of the Corridor and connecting rail routes:

- Portion of CSXT’s Hudson Subdivision: Rensselaer (CP 142) to Schenectady (CP 160) and Hoffmans (CP 169),
- CSXT’s Selkirk Subdivision [Selkirk Yard to Hoffmans (CP 169 junction with the Hudson Subdivision) and Amsterdam (CP 175)],
- CSXT’s Mohawk Subdivision [Amsterdam (CP 175) to St. Lawrence Subdivision Junction (CP 291) and Syracuse (SP 296)],
- Portions of CSXT’s St. Lawrence Subdivision/Former Montreal Secondary [Syracuse (CP 291) to Woodard (CP-W)],
- CSXT’s Rochester Subdivision [Syracuse (CP 296) to Buffalo (CP 429)],
- CSXT’s West Shore Subdivision [Fairport (CP 359) to Chili (CP 382)] which provides an important freight bypass around Rochester,
- CSXT’s Buffalo Terminal Subdivision [Buffalo (CP 429) to CP 437 and Lake Shore Subdivision (CP 2)],
- CSXT’s Niagara Subdivision, [Buffalo (CP 437) to Niagara Falls junction with CPR and CN (CP 28)], and
• Additional trackage in the Buffalo Terminal area – the Belt Line, Frontier Yard (lead tracks only), International Bridge and Old Compromise Line.

In all cases where trains can enter or leave the ECW territory "at speed" (using power switches), the Study’s EIS Operations Analysis territory shall be extended so as to support this type of simulation operation. Where distant (approach) signals are provided – typically one to two miles from the ECW junction point – they shall be included in the operations analysis territory. Where replacement of hand-throw switches with power switches is identified as a potential improvement in the ECW territory, the "before and after" analysis shall be conducted starting at least one mile from the ECW junction point.

Where freight yard operations impact the ability of trains to achieve mainline Maximum Authorized Speed (MAS), ECW route yard tracks, including arrival/departure tracks, will be represented in the network description.

g. With direct input and participation of CSXT, the Study will evaluate multiple alternatives that feature different passenger service levels, a range of future rail service levels, and capital improvements to existing CSXT infrastructure, capital improvements to new infrastructure within the CSXT right of way and capital improvements to new infrastructure partly or wholly outside of the CSXT right of way. The Study will identify a preferred alternative that provides the greatest benefits for safe and efficient rail operations, freight rail customers and the traveling public, while controlling capital costs and minimizing environmental impacts. To the extent possible, impacts of the impending implementation of Positive Train Control will be included.

h. The Study’s ECW Operations Analysis will use 2035 as future year for evaluation of rail operations. The Study’s ECW Operations Analysis will provide the basis for a Service Development Plan that outlines how capital improvements and increased rail operations will be phased over time, given capital funding constraints, construction timeframes and the need to maintain fluid rail operations on the ECW at all times.

i. Each RTC simulation model run will simulate seven consecutive measured operating days across the ECW plus one day warm up and one day cool down with randomization.

j. The NYSDOT Consultant shall provide CSXT with all completed RTC Case (database) files, including the version of the RTC software used in the simulation. CSXT may run additional simulations for longer durations and alternative randomization inputs. At the discretion of CSXT, CSXT may provide the NYSDOT Consultant with the network simulation output data and/or summary document and the NYSDOT Consultant will incorporate CSXT’s inputs into the Study’s EIS technical appendices, as applicable.

Section 4: Study Management Approach

a. NYSDOT and NYSDOT Consultants have entered into an agreement that outlines the Scope of Work for the Study, including roles and responsibilities of each participant. NYSDOT will manage the overall effort, including assigning a contract manager for the administration of the consultant services. NYSDOT will assign appropriate technical and managerial staff, as required, to manage or direct the advancement of the Study.
b. FRA is the lead federal agency for purposes of the Study and under federal law is responsible for the scope and content of the EIS. The parties recognize that the independence and integrity of the EIS is essential to the development of a sound document and that, as it does for all of its EISs, the FRA will play a lead role in determining the scope and content of the document.

c. CSXT (pursuant to this EIS Agreement), the National Passenger Railroad Corporation (Amtrak), FRA and other governmental agencies will provide technical guidance and support to NYSDOT and NYSDOT Consultants.

Section 5: Study Coordination

a. In order to progress the Study, NYSDOT Consultants will need to perform field reconnaissance such as (but not limited to) measuring track centers, reviewing locations along the right-of-way for possible historic structures, wetlands and other constructability concerns, identifying bridge abutment setbacks and other design constraints affecting the ability to add new trackage. CSXT agrees to provide access to railroad property for Study purposes subject to the conditions set forth in this EIS Agreement. NYSDOT Consultants will be responsible for obtaining and paying all fees for Right-of-Entry Permits from CSXT, including but not limited to: providing the applicable general liability and railroad protective liability insurance, executing the acknowledgement statements contained on the permits, participating in railroad-sponsored safety training and making arrangements for obtaining any required railroad flagging services. It is anticipated that NYSDOT Consultants will perform field reconnaissance trips over the life of the Study. NYSDOT or its consultants will bear all CSXT costs related to the field reconnaissance trips.

b. NYSDOT Consultants will provide CSXT with sufficient advance notice, usually no less than 14 days, when they desire to gain access to railroad property for the purpose of performing field reconnaissance. The timing of any field reconnaissance trips will depend upon the availability of CSXT personnel to protect those entries onto CSXT property.

c. NYSDOT Consultants will group their requests for access to railroad property into geographically-compatible groupings in order to maximize efficient access to the Corridor (grouping nearby locations within one railroad Subdivision). NYSDOT Consultants will be required to execute a non-disclosure agreement with CSXT for all information deemed confidential by CSXT. CSXT agrees to provide reasonable requested Corridor source information in a timely manner.

d. CSXT will provide certain available engineering drawings and maps, to the extent practicable and to the extent not previously provided to NYSDOT, for use by NYSDOT and NYSDOT Consultants in development of the Study. These drawings may include track charts, real estate valuation maps and other documents mutually agreed by the Parties.

e. Any information provided to NYSDOT will be subject to disclosure under the Freedom of Information Law, unless the information is confidential financial statements, balance sheets, trade secrets or revenue and cost projections that CSXT can demonstrate is
exempt from disclosure under the New York State Freedom of Information Law, the federal Freedom of Information Act, the federal Interstate Commerce Act or other laws administered by the Surface Transportation Board or the Federal Railroad Administration, and CSXT makes a timely request for exemption from disclosure in accordance with such laws.

**Section 6: Notices**

All notices and Certificates of Insurance shall be mailed to the following addresses:

A. To CSXT:

(1). Certificates of Insurance:

Walter D. Tyler  
Insurance Department  
CSX Transportation  
500 Water Street (J150)  
Jacksonville, FL 32202  

(904) 366-5090/ Fax (904) 245-2203

(2). All Notices and Communications pertaining to this Statement:

Evan Bell  
Director Operations Planning  
CSX Transportation  
500 Water Street (J315)  
Jacksonville, FL 32202  

(904) 359-1801 / Fax (904) 359-5433

B. To NYSDOT:

Marie Corrado  
Director of Major Projects  
New York State Department of Transportation  
50 Wolf Road, 6th Floor  
Albany, NY 12232  

(518) 485-5025 / Fax (518) 457-4190
This EIS Agreement has the concurrence of the authorized officials of both parties as of the dates shown below.

CSX TRANSPORTATION, INC.

Louis E. Renjel, Jr.
Vice President, Strategic Infrastructure

NEW YORK STATE DEPARTMENT OF TRANSPORTATION

Stanley Gee
Acting Commissioner