

Message from Todd Bjornstad

Power To Move

Connecting Industry

Delivering Value

2025

News for Customers, Employees & Friends of the Chicago South Shore and South Bend Railroad

New Cars + Tech = Optimized Shipping



100 new 48-foot, 115-ton-capacity, five-well steel coil cars are being equipped with RailPulse technology.

Following the delivery of 100 steel coil cars during the past year, we have started applying state-of-the-art rail car status and tracking technology powered by RailPulse to all the new equipment. This marks the first use of an agreement by our parent company, Anacostia Rail Holdings, to bring real-time, maintenance-free location and safety telematics to our customers.

Deploying this technology for our steel coil customers—who include Cleveland-Cliffs, Inc. at Burns Harbor and U.S. Steel's Midwest plant in Portage, Indiana—will support more efficient distribution of their high-value shipments. In addition, as a RailPulse subscriber, CSS and all other Anacostia railroads will have access to telematics for all tagged cars that are routed to or from online customers, regardless of car ownership.

Extra Care for Steel Coils

Despite its strength, a steel coil must be shipped with care to prevent dents, deformation, rust, and other defects. The Midwest is the source of a large percentage of North American steel coils, used in the manufacture of everything from automo-

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An injury-free year in 2024 was one of many reasons we entered this year with optimism.

Our customers and the entire CSS team —are benefiting from our consistent focus on safety, efficiency,

and reliability. This focus—combined with our natural advantage of having direct connections to all six Class I railroads (as well as 10 terminal lines)—provides shippers with tremendous flexibility when serving customers anywhere in North America.

This year, with nine new train service employees having joined our ranks, we are fully staffed to handle all the needs of our existing customers. Additionally, we have plenty of room for new customers at nearly a dozen sites offering significant industrial development opportunities.

Because it's critical for your business to keep pace with rapidly evolving market demands, part of our job is to support you with technology that gives you a competitive edge.

As you'll read in the accompanying cover story, we've made the leap into the

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industry's next generation of equipment tracking telematics. RailPulse units are being applied to the 100 new steel coil cars we acquired last year. In addition, CSS and all other Anacostia railroads will have access to telematics for all tagged cars that are routed to or from online customers, regardless of car ownership.

We're also continuing to cover the essential basics. This year will see another season of track and equipment maintenance investment, to keep our trains rolling without incident and with service that fulfills your expectations.

Todd Bjornstad President

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News from the Chicago South Shore & South Bend Railroad Company

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Our Expanded Team is Ready to Roll

Railroading is no mere occupation; it is a calling. It demands skill, patience, and a temperament that can withstand the hours, the elements, and the unrelenting precision required to move our customers' critical shipments. Finding the right people to take the throttle is no small feat but, this year, the tide has turned.

Through diligent recruitment and rigorous training, we have ushered nine new train service employees into the fold, restoring our ranks to full strength for the first time since the pandemic disrupted operations. Each of these individuals has completed a challenging six-month course—studying rules, mastering air brakes, learning the language of signals, and committing to the sacred



trust of safety and efficiency that defines this profession.

Now, they stand ready, prepared to carry forward the tradition of high service that our customers expect, and their predecessors uphold. To them, we extend a heartfelt welcome. The road ahead is long, but the rewards—measured not just in miles, but in the satisfaction of a job well done—are worth every turn of the wheel. \blacklozenge

Anacostia On the Move

by Eric Jakubowski, Vice President & Chief Commercial Officer, Anacostia Rail Holdings

Collaboration



The discussion at a recent caucus between Class I and short line railroads ended in justifiable optimism. Some of our larger partners are now open to collaboration between themselves, short lines, and the customers with se contact.

whom we are in close contact.

This is significant because it's the short lines that understand every customer needs to know when to expect a shipment and how any delay can be addressed. Class I railroads have learned from us that high-quality, reliable service is built on effective communication and the use of information to adjust resources. It has become apparent to our rail network partners that this is the way to achieve traffic growth. I have long advocated that we and our brethren short lines need to be included in trip plans, ETA compliance, and trip disruption communication. Given those tools, we can accomplish two important goals: (1) provide better service; and (2) create trust with our shippers that we will consistently deliver the service they need.

I am happy to report that our progress on data sharing and more timely interaction with operations managers is moving quickly in the right direction.

Stay tuned as we, along with our industry, continue to open greater collaboration and more opportunities to increase our market share, and make it easier and more attractive for shippers to select the safer, more efficient, and sustainable mode.

An Anacostia Company

Location, Location, Location

There's a reason they call our vicinity The Heartland of America.

Customers located along our 182-mile system are in one of the nation's most dynamic economic regions, enjoying direct access to all six Class I railroads and every short line in the Chicago rail terminal via direct interchange with CSS. Many carload rail services begin and end here, providing a wide range of service levels to North American markets, as well as some of the fastest rail service to and from international ports. Having all these options also creates greater supply chain resilience.

Best of all, there's room for your business on our strategically located lines.

"Rail service is cost-effective to be sure, and there's so much more," says Tony Kazakevicius, CSS Senior Director of

New Cars

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biles to pipes to wall panels in buildings. The success of steel coil producers is closely tied to their supply chains.

The new cars, combined with advanced RailPulse technology, are intended to bring significant benefits to our customers. This is the second time CSS has



Amsted gateway transmits rail car RailPulse data in real time.

Sales and Marketing. "Railroads also provide safe service that is inherently more fuel efficient, significantly lowering carbon emissions. Customers shipping by CSS also cause less wearand-tear on local roads."

Visit our website to watch a quick, informative video and to explore a number of sites offering more than 1,500 acres of manufacturing, industrial, and agricultural property that can be directly served by CSS. These sites also have convenient highway access.

We are ready to support the growth of your business, in the nation's third largest economic region, for many

years to come. 🔶

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made a major investment in the purchase of steel coil cars.

"By adding these cars to our leased fleet, we have greater control of equipment to support customers with safer, more efficient, and greener rail shipping options," says CSS President Todd Bjornstad.

Because the equipment is owned by CSS, it will be immediately available for customers to reload as soon as it returns from a previous delivery.

While the equipment is on the road, either delivering shipments or returning empty, RailPulse technology will provide more accurate, immediate, and detailed data about the location, status, and condition of the cars.

Tech That's Tough

Built to perform in the harshest operating environments of freight rail, the powerful capabilities of the IQ Series gateway—supplied by Amsted Digital Solutions—is paired with advance machine learning technology that virtually eliminates the need for specialized external sensors. For steel coil shippers on our lines, the new data is expected to provide better ETAs, more timely information about when cars are placed and picked up, more accurate demurrage-related data, and more advanced notifications of routing changes or delays that will support more efficient production facility utilization.

"We have supported RailPulse since its 2020 inception and are enthusiastic about the coalition's initiative to create an industry-wide opportunity to increase both shipment visibility and rail car safety," says Eric Jakubowski, ARH VP & Chief Commercial Officer.

The order for the 100 cars was placed with two North American railcar manufacturers, each supplying 50 cars. The builders are The Greenbrier Companies and National Steel Car. The 48-foot, 115-ton-capacity, transverse-style cars can each hold up to five steel coils and are equipped with covers for all-weather transport. Their transverse troughs hold coils securely in place with no need for dunnage or blocking. ◆

An Anacostia Company

Better Tech, Track, and Trains

Every year our parent company, Anacostia Rail Holdings, provides investments that keep our railroad safe, reliable, and ready for growth. This year's investments will cover the breadth of our physical assets.

Technology. This newsletter's cover story tells about the installation of RailPulse technology on 100 new steel coil cars. The result will be greatly improved shipment and rail car status visibility for our shippers.

We're also anticipating the addition of



Wi-Tronix onboard locomotive monitoring technology. Acquisition of the units is the result of a successful appli-

The Wi-Tronix onboard unit

cation for a Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program Grant by the American Short Line & Regional Railroad Association (ASLRRA), which will distribute the Wi-Tronix units for use in over 600 short line locomotives, including all CSS power.

Supported by the Wi-Tronix Violet platform, the system provides real-time access to over 100 signals from any device. We will benefit from proactive safety measures, proactive troubleshooting, and enhanced communications capabilities.



From locomotives, to rolling stock, to track, to technology, the 2025 CapEx program will keep CSS operating safely, reliably, and efficiently for our customers.

"For example," says Chief Mechanical Officer Justin Moon, "our system currently

provides 20 seconds of remote viewing from onboard cameras. With this new system we can continuously view locomotive operations in real time. The new capabilities will also enable automated regulatory reporting of locomo-

tive emissions, greatly streamlining that process, as well as other operating efficiencies."

Track. The literal foundation of our railroad—track—requires continuous investment. This year we will be replacing:

 600 cross ties and 60 switch ties in Burnham Yard

- 2 switches in Burnham Yard
- 900 cross ties on the S&K Line
 - 600 cross ties in Parrish Siding
 - 500 cross ties and 30 switch ties in Bendix and Fisher sidings

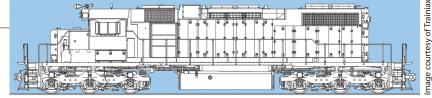
Trains. Another part of our cover story is the acquisition of 100 new steel coil cars as part of our ongoing commitment to this important market.

For operations at the "head end," we are rebuilding two more locomotives as well as installing new auxiliary power units (APUs) in our locomotives. APUs allow the main locomotive engine to be shut off while still maintaining essential functions, often resulting in reduced fuel consumption and emissions when idling at stations or yards. ◆

Work Continues "Below the Decks"

According to CSS Chief Mechanical Officer Justin Moon, "Shippers rely on us to deliver reliable service, which is why we are upgrading our mainline locomotives."

The program is well underway, and by the end of this year eight of our 13



Two SD38-2 units are undergoing "below the decks" rebuilding this year.

locomotives will have been put through an extensive "below the deck" rebuilding.

Not only will this investment protect the safe and reliable service our customers expect, but it will also result in more efficient operations. According to Moon, the rebuilt units spend less time in the shop and reduce downtime.

"In effect, the rebuilt units are allowing us to handle more traffic with the same number of units," he says.

Growing Together with Glycerin Traders

Thirteen years ago, when start-up Glycerin Traders discovered it could benefit by shipping the commodities it was trading by rail, CSS quickly worked to help it locate a basic transload facility in Stillwell, Indiana.

Traffic growth was strong, and several years later the facility's initial set-up (track

An all-weather terminal stores commodities for transfer to rail

and pavement) was expanded to include

a new, all-weather 10-bay building for

commodity storage and an underground

conveyor from the terminal track to silos.

Most recently, CSS again helped expand Glycerin Traders' ability to move more freight by rail. A collaborative project has expanded and reconfigured track. Track in the facility was extended 200 feet, and a switch was added to connect it to CSS's Stillwell Siding—which was also

> extended 600 feet. Finally, the siding's mainline switch was moved farther to the south.

The reconfiguration provided Glycerin with more track space and access to the Stillwell siding, allowing them to spot their owns cars more efficiently.

Additionally, our efficiency has improved by utilizing Stillwell Siding's mainline switch on the south end of the facility to access both the siding and Glycerin's industry track.

"Glycerin Traders is excited about the opportunities this

track upgrade will offer our business and the continued partnership with CSS," says Mariana Zeedyk, Owner, Glycerin Traders.

Safe and Getting Safer

Railroads' strong focus on safety has resulted in dramatic reductions in incidents, injuries, and deaths. Since 2000–for all U.S. railroads– on-duty fatalities declined 71% and reached an all-time low in 2023.

cars via underground conveyor.

It might surprise you that the Class I railroad employee injury rate per hour worked is

now lower than the rate for grocery and department stores, according to the Association of American Railroads.

Regional and short line railroads, like ours, are no less dedicated to keeping our employees, customers, and communities safe. We continuously



focusing on: • infrastructure and equipment

work toward this objective by

- investments;continuous employee training to improve operating
- technology development;
- community and first responder support; and
- the protection of physical and digital networks.

safety;

As of this writing we've had no reportable injuries for well over a year. We enjoy this success, and it is the reason we will never stop putting safety first.



New switch into lengthened Stillwell Siding (left) and a new switch from the siding into the facility track (right) increased rail capacity and efficiency for Glycerin Traders.

An Anacostia Company



Congratulations to our employees for their service, especially those who are celebrating the following anniversaries with CSS:

Anniversaries

30 Years David Cain, Trainmaster/SLE

25 Years Steve Gropp, Manager–Maintenance of Way

10 Years Brian Colburn, Assistant Trainmaster **Matt Lastovich,** Train Service

5 Years

Mellisa Dodrill, Marketing/Customer Service Representative Tony Kazakevicius, Senior Director of Sales & Marketing Basia Sidor, Customer Service Manager

New Hires

Joslyn Owens, Customer Service Representative

Trent Stroud, Carman

Kevin Weller, Roadmaster

Brayden White, Carman

Retirements

Don Buford, Train Service (1985–2024) Steve Kincaid, Train Service (2002–2024) David (Kevin) Luchene, Carman (1985–2024)

Charitable Donations

LaPorte County Sheriff Department for Children's Christmas Program and K9 Unit Local Alzheimer's Association and Autism Organizations Michiana Humane Society City Life Center Summer Programs–Gary United Way of LaPorte County Wounded Warrior Project Gary Sinise Foundation Operation Lifesaver of Indiana Safe Haven Local Baseball

South Bend Cubs Family Outing July 2024



100 employees and family members attended our annual family baseball outing at the South Bend Cubs in July, 2024. Top left: Director of Marketing & Sales, Tony Kazakevicius and his family. Top right: Trainman Chris Felske and his daughter. Bottom (left to right): Isaac Benson, Mike Polk, Jacob Moreno, Emerito Beltran, and Eric Blankenmyer.

Annual Safety Dinner–March 2025

120 employees and family members attended our annual safety dinner held at the Orak Shrine Club in Michigan City, Indiana.