

Exhibit A
Norfolk Southern Railway Company Scope of Work for
Switch-Duty Locomotive Conversions in Atlanta, Georgia

Scope of Work

Upon the Effective Date and continuing through 24 months, unless terminated early under provisions of the CONTRACT, CONTRACTOR will perform tasks as described in the Project Proposal to reduce emissions from locomotives used for switching in Atlanta for purposes of improving air quality in Georgia. These tasks include:

- A. Within 45 days of execution of the CONTRACT, CONTRACTOR shall provide to the Division a project schedule with specific dates for completing each Project-related task that is consistent with the timeline provided in the Project Proposal;
- B. CONTRACTOR shall (1) convert twenty (20) Tier 0 or lower locomotives with at least five (5) years expected remaining life ("Original Locomotives") as described in the Project Proposal to ten (10) mother/slug sets, where the "mother" locomotive will be ECO710 3000 horsepower locomotives meeting EPA Tier 3 switch-duty emission standards or better (i.e., with lower emissions) ("Converted Locomotives"), and (2) install locomotive technology to accommodate an electric layover system on the Converted Locomotives and install plug-in stations and associated yard infrastructure to operate an electric layover heating system, all as further described in the Project Proposal. While PM emissions are lower than EPA Tier 3 switch-duty cycle standards require, the ECO710 3000 is certified to the Tier 3 line-haul duty cycle because it exceeds 2300 horsepower;
- C. The CONTRACTOR shall maintain the Converted Locomotives sufficiently to assure each Converted Locomotive remains operational for a period of ten years from the date after each Converted Locomotive is retrofitted (the "Operating Period") and shall operate the Converted Locomotives at least 80% of each Converted Locomotive's operational hours in and around the Atlanta Terminal as described in the Project Proposal. The Operating Period and number of operational hours may be modified if the Converted Locomotive is damaged such that the CONTRACTOR and the DIVISION mutually agree that it can be removed from service, in which event CONTRACTOR shall be deemed to have satisfied its obligations under this CONTRACT with respect to such Converted Locomotive(s). The Division acknowledges that the Converted Locomotives may leave the Atlanta Terminal for 92-day Federal Railroad Administration inspections and other maintenance, for Positive Train Control installation, or for other logistical contingencies. The Division understands that the CONTRACTOR does not permanently assign locomotives to particular yards, and actual locomotives required for switching will vary from day to day depending upon rail traffic volume and locations, and depending on the availability of locomotives to meet operational needs. The CONTRACTOR shall inform the Division of all Converted Locomotives that are removed from the fleet due to damage or inoperability. The ten-year period for each Converted Locomotive will start on the date that the Converted Locomotive is placed into revenue service. The CONTRACTOR shall not sell any Converted Locomotive until the Operating Period has

passed or the Converted Locomotive has been determined to be damaged beyond repair or permanently inoperable.

- D. Initial Report: Before converting the locomotives, the CONTRACTOR shall submit an initial report containing the following information:
- (1) Work scope as provided in the Project Proposal.
 - (2) Estimated emissions reductions. This estimate may use data as provided in the Project Proposal if there have been no changes in emission levels of the original and converted locomotives from the Proposal.
- E. Post Conversion Report: The CONTRACTOR shall submit a post conversion report within one month (30 days) after each locomotive mother/slugs unit is placed into service in the Atlanta Terminal. The report shall contain the following:
- (1) Estimated emissions levels, which may include regulatory tier requirements.
 - (2) Locomotive numbers for the Original Locomotives and the Converted Locomotives.
 - (3) Pictures showing major components installed during the conversion.
 - (4) Pictures of the completed Converted Locomotives and their emissions labels.
 - (5) Certification/assurance that emissions critical components were properly installed on the Converted Locomotives and are in working condition.
 - (6) If the proposed time for completing the conversion is exceeded, an explanation of the delay.
- F. Running reports will be submitted every six months for the first two years (commencing within six months after submission of the post conversion report) and annually for eight years thereafter. These reports may be combined for the locomotives converted under this CONTRACT. The running reports will contain the following information:
- (1) Estimated emissions and fuel consumption, which may include estimates or calculations based on known information including data from the Project Proposal.
 - (2) Description or confirmation of general operating patterns of the Converted Locomotives.
 - (3) Certification or assurance of proper operation and maintenance of the Converted Locomotives, in particular the emissions critical components.
- G. The CONTRACTOR shall submit any reports to the Division by electronic mail (e-mail) and shall provide two copies of the reports in the e-mail with one in Microsoft Word format and the second in a PDF format. The CONTRACTOR shall submit a hard copy of the report upon the Division's request.
- H. Notwithstanding anything to the contrary herein, in the Project Proposal or in the Request for Applications, CONTRACTOR shall have no obligation to conduct extra-operational studies or investigations or to generate data not generated in the normal course of business in order to compile the reports above or any other information requested by the Division under this CONTRACT. Further, the Division acknowledges the reporting limitations as set forth in the Project Proposal, and CONTRACTOR shall not be required to prepare or submit any data or information that is contrary to those limitations. Specifically, but not by way of limitation, CONTRACTOR does not determine actual

fuel usage by locomotive and as such cannot determine actual fuel used by each Converted Locomotive, and CONTRACTOR cannot determine or track actual duty cycle over the Operating Period for each Converted Locomotive. The CONTRACTOR will use estimates for such determinations and may use best available information, which may include engineering estimates based on knowledge and experience of such operations.

- I. CONTRACT funds will cover up to 70% of the total cost of the Project and will be distributed to the CONTRACTOR incrementally (not more than once per annual quarter) following completion of conversion task(s), provided the match has been satisfied for the incremental distribution.
- J. The CONTRACTOR shall only invoice the Division for expenses eligible for award funding. As part of the invoice, the CONTRACTOR shall certify each task that has been completed. Upon completion of the Project, the CONTRACTOR shall submit a final invoice requesting up to the remaining funds for any unpaid task expenses provided that the total grant distribution for this project does not exceed sixteen million, four hundred thirty-eight thousand dollars (\$16,438,000.00). The final invoice shall provide all the information as requested in the Method of Payment section of the CONTRACT.
- K. The CONTRACTOR shall only invoice the Division for eligible expenses resulting from the Converted Locomotive conversions as part of completing tasks as described by the CONTRACTOR's Project schedule (Exhibit B).
- L. The CONTRACTOR may not seek reimbursement or cost share consideration for certain ineligible cost, which would include management or similar fees used to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs. The CONTRACTOR may not seek fees for consultants in excess of five hundred eighty-seven dollars and twenty cents (\$587.20) per day nor seventy-three dollars and forty cents (\$73.40) per hour.